

**Substitute for HOUSE BILL No. 2410**

By Committee on K-12 Education Budget

5-16

1 AN ACT concerning education; relating to the instruction and financing  
2 thereof; making and concerning appropriations for the fiscal years  
3 ending June 30, 2018, and June 30, 2019, for the department of  
4 education; creating the Kansas school equity and enhancement act;  
5 amending K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a,  
6 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3712, 72-  
7 3715, 72-5333b, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-  
8 6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-  
9 8233, 72-8236, 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-  
10 8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-9609, 72-  
11 99a02, 72-99a02, as amended by section 92 of this act, 72-99a04, 74-  
12 4939a, 74-8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-  
13 2925b and repealing the existing sections; also repealing K.S.A. 2016  
14 Supp. 46-1133, 72-6482 and 75-2319, as amended by section 46 of  
15 Senate Substitute for Substitute for House Bill No. 2052.

16

17 *Be it enacted by the Legislature of the State of Kansas:*

18 Section 1.

19

DEPARTMENT OF EDUCATION

20

(a) There is appropriated for the above agency from the state general  
21 fund for the fiscal year ending June 30, 2018, the following:

22

Operating expenditures (including official

23

hospitality) (652-00-1000-0053).....\$12,515,606

24

*Provided*, That any unencumbered balance in the operating expenditures  
25 (including official hospitality) account in excess of \$100 as of June 30,  
26 2017, is hereby reappropriated for fiscal year 2018.

27

Special education services

28

aid (652-00-1000-0700).....\$435,980,455

29

*Provided*, That any unencumbered balance in the special education  
30 services aid account in excess of \$100 as of June 30, 2017, is hereby  
31 reappropriated for fiscal year 2018: *Provided further*, That expenditures  
32 shall not be made from the special education services aid account for the  
33 provision of instruction for any homebound or hospitalized child unless  
34 the categorization of such child as exceptional is conjoined with the  
35 categorization of the child within one or more of the other categories of  
36 exceptionality: *And provided further*, That expenditures shall be made from

1 this account for grants to school districts in amounts determined pursuant  
2 to and in accordance with the provisions of K.S.A. 72-983, and  
3 amendments thereto: *And provided further*, That expenditures shall be  
4 made from the amount remaining in this account, after deduction of the  
5 expenditures specified in the foregoing proviso, for payments to school  
6 districts in amounts determined pursuant to and in accordance with the  
7 provisions of K.S.A. 72-978, and amendments thereto.

8 State foundation  
9 aid (652-00-1000-0820).....\$1,984,223,684

10 *Provided*, That any unencumbered balance in the general state aid account  
11 in excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal  
12 year 2018.

13 Supplemental state  
14 aid (652-00-1000-0840).....\$480,920,922

15 *Provided*, That any unencumbered balance in the supplemental general  
16 state aid account in excess of \$100 as of June 30, 2017, is hereby  
17 reappropriated for fiscal year 2018.

18 Mentor teacher (1000-0440).....\$800,000  
19 Local excellence state aid.....\$2,593,452  
20 Professional development.....\$1,700,000  
21 Information technology education  
22 opportunities (652-00-1000-0600).....\$500,000

23 Kansas reading success  
24 program (652-00-1000-0070).....\$2,100,000  
25 Discretionary grants (652-00-1000-0400).....\$322,457

26 *Provided*, That the above agency shall make expenditures from the  
27 discretionary grants account during the fiscal year 2018, in the amount not  
28 less than \$125,000 for after school programs for middle school students in  
29 the sixth, seventh and eighth grades: *Provided further*, That the after  
30 school programs may also include fifth and ninth grade students, if they  
31 attend a junior high: *And provided further*, That such discretionary grants  
32 shall be awarded to after school programs that operate for a minimum of  
33 two hours a day, every day that school is in session, and a minimum of six  
34 hours a day for a minimum of five weeks during the summer: *And*  
35 *provided further*, That the discretionary grants awarded to after school  
36 programs shall require a \$1 for \$1 local match: *And provided further*, That  
37 the aggregate amount of discretionary grants awarded to any one after  
38 school program shall not exceed \$25,000.

39 School food assistance (652-00-1000-0320).....\$2,510,486  
40 School safety hotline (652-00-1000-0230).....\$10,000  
41 KPERS – employer contributions –  
42 USDs.....\$382,407,305  
43 KPERS – employer

1 contributions (652-00-1000-0100).....\$25,275,661  
 2 *Provided*, That any unencumbered balance in the KPERS – employer  
 3 contributions account in excess of \$100 as of June 30, 2017, is hereby  
 4 reappropriated for fiscal year 2018: *Provided further*, That all expenditures  
 5 from the KPERS – employer contributions account shall be for payment of  
 6 participating employers' contributions to the Kansas public employees  
 7 retirement system as provided in K.S.A. 74-4939, and amendments  
 8 thereto: *And provided further*, That expenditures from this account for the  
 9 payment of participating employers' contributions to the Kansas public  
 10 employees retirement system may be made regardless of when the liability  
 11 was incurred.

12 Educable deaf-blind and severely  
 13 handicapped children's programs  
 14 aid (652-00-1000-0630).....\$110,000

15 School district juvenile detention facilities and Flint Hills job  
 16 corps center grants (652-00-1000-0290).....\$4,771,500  
 17 *Provided*, That any unencumbered balance in the school district juvenile  
 18 detention facilities and Flint Hills job corps center grants account in excess  
 19 of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018:  
 20 *Provided further*, That expenditures shall be made from the school district  
 21 juvenile detention facilities and Flint Hills job corps center grants account  
 22 for grants to school districts in amounts determined pursuant to and in  
 23 accordance with the provisions of K.S.A. 72-8187, and amendments  
 24 thereto.

25 Governor's teaching excellence  
 26 scholarships and  
 27 awards (652-00-1000-0770).....\$327,500  
 28 *Provided*, That any unencumbered balance in the governor's teaching  
 29 excellence scholarships and awards account in excess of \$100 as of June  
 30 30, 2017, is hereby reappropriated for fiscal year 2018: *Provided further*,  
 31 That all expenditures from the governor's teaching excellence scholarships  
 32 and awards account for teaching excellence scholarships shall be made in  
 33 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*  
 34 *further*, That each such grant shall be required to be matched on a \$1 for \$1  
 35 basis from nonstate sources: *And provided further*, That award of each such  
 36 grant shall be conditioned upon the recipient entering into an agreement  
 37 requiring the grant to be repaid if the recipient fails to complete the course  
 38 of training under the national board for professional teaching standards  
 39 certification program: *And provided further*, That all moneys received by  
 40 the department of education for repayment of grants for governor's  
 41 teaching excellence scholarships shall be deposited in the state treasury  
 42 and credited to the governor's teaching excellence scholarships program  
 43 repayment fund (652-00-7221-7200).

- 1 (b) There is appropriated for the above agency from the following  
 2 special revenue fund or funds for the fiscal year ending June 30, 2018, all  
 3 moneys now or hereafter lawfully credited to and available in such fund or  
 4 funds, except that expenditures other than refunds authorized by law and  
 5 transfers to other state agencies shall not exceed the following:
- 6 State school district finance  
 7 fund (652-00-7393-7000).....No limit
- 8 School district capital improvements  
 9 fund (652-00-2880-2880).....No limit
- 10 *Provided*, That expenditures from the school district capital improvements  
 11 fund shall be made only for the payment of general obligation bonds  
 12 approved by voters under the authority of K.S.A. 72-6761, and  
 13 amendments thereto.
- 14 Mineral production education  
 15 fund (652-00-7669-7669).....No limit
- 16 School district capital outlay state aid  
 17 fund.....No limit
- 18 Conversion of materials and equipment  
 19 fund.....No limit
- 20 State safety fund (652-00-2538-2030).....No limit
- 21 School bus safety fund (652-00-2532-2300).....No limit
- 22 Motorcycle safety fund (652-00-2633-2050).....No limit
- 23 Federal indirect cost reimbursement  
 24 fund (652-00-2312-2200).....No limit
- 25 Teacher and administrator fee  
 26 fund (652-00-2728-2700).....No limit
- 27 Food assistance –  
 28 federal fund (652-00-3230-3020).....No limit
- 29 Food assistance – school breakfast program –  
 30 federal fund (652-00-3529-3490).....No limit
- 31 Food assistance – national school lunch program –  
 32 federal fund (652-00-3530-3500).....No limit
- 33 Food assistance – child and adult care food program – federal  
 34 fund (652-00-3531-3510).....No limit
- 35 Community-based child abuse prevention – federal  
 36 fund (652-00-3319-7400).....No limit
- 37 Family and children investment  
 38 fund (652-00-7375).....No limit
- 39 Elementary and secondary school aid – federal  
 40 fund (652-00-3233-3040).....No limit
- 41 Educationally deprived children – state operations –  
 42 federal fund (652-00-3131-3130).....No limit
- 43 Elementary and secondary school –

1	educationally deprived children –	
2	LEA's fund (652-00-3532-3520).....	No limit
3	ESEA chapter II – state operations –	
4	federal fund (652-00-3132-3140).....	No limit
5	Education of handicapped children fund –	
6	federal (652-00-3234-3050).....	No limit
7	Education of handicapped children	
8	fund – state operations –	
9	federal fund (652-00-3534-3540).....	No limit
10	Education of handicapped children fund – preschool – federal	
11	fund (652-00-3535-3550).....	No limit
12	Education of handicapped children	
13	fund – preschool state operations –	
14	federal (652-00-3536-3560).....	No limit
15	Elementary and secondary school	
16	aid – federal fund – migrant	
17	education fund (652-00-3537-3570).....	No limit
18	Elementary and secondary school aid –	
19	federal fund – migrant education –	
20	state operations (652-00-3538-3580).....	No limit
21	Vocational education title II –	
22	federal fund (652-00-3539-3590).....	No limit
23	Vocational education title II –	
24	federal fund –	
25	state operations (652-00-3540-3600).....	No limit
26	Educational research grants and projects	
27	fund (652-00-3592-3070).....	No limit
28	Drug abuse fund – department of education –	
29	federal (652-00-3795-3100).....	No limit
30	Drug abuse funds – federal – state operations	
31	fund (652-00-3799-3110).....	No limit
32	Inservice education workshop	
33	fee fund (652-00-2230-2010).....	No limit
34	<i>Provided</i> , That expenditures may be made from the inservice education	
35	workshop fee fund for operating expenditures, including official	
36	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
37	<i>further</i> , That the state board of education is hereby authorized to fix,	
38	charge and collect fees for inservice workshops and conferences: <i>And</i>	
39	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
40	part of such operating expenditures incurred for inservice workshops and	
41	conferences: <i>And provided further</i> , That all fees received for inservice	
42	workshops and conferences shall be deposited in the state treasury in	
43	accordance with the provisions of K.S.A. 75-4215, and amendments	

1	thereto, and shall be credited to the inservice education workshop fee fund.	
2	Private donations, gifts, grants and bequests	
3	fund (652-00-7307-5000).....	No limit
4	Reimbursement for services	
5	fund (652-00-3056-3200).....	No limit
6	Communities in schools program	
7	fund (652-00-2221-2400).....	No limit
8	Governor's teaching excellence scholarships program repayment	
9	fund (652-00-7221-7200).....	No limit
10	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
11	scholarships program repayment fund shall be made in accordance with	
12	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
13	such grant shall be required to be matched on a \$1 for \$1 basis from	
14	nonstate sources: <i>And provided further</i> , That award of each such grant shall	
15	be conditioned upon the recipient entering into an agreement requiring the	
16	grant to be repaid if the recipient fails to complete the course of training	
17	under the national board for professional teaching standards certification	
18	program: <i>And provided further</i> , That all moneys received by the	
19	department of education for repayment of grants made under the	
20	governor's teaching excellence scholarships program shall be deposited in	
21	the state treasury in accordance with the provisions of K.S.A. 75-4215, and	
22	amendments thereto, and shall be credited to the governor's teaching	
23	excellence scholarships program repayment fund.	
24	Elementary and secondary school aid –	
25	federal fund – reading first – state	
26	operations (652-00-3525-3850).....	No limit
27	State grants for improving teacher quality –	
28	federal fund (652-00-3526-3860).....	No limit
29	State grants for improving teacher	
30	quality – federal fund – state	
31	operations (652-00-3527-3870).....	No limit
32	21st century community learning centers –	
33	federal fund (652-00-3519-3890).....	No limit
34	State assessments –	
35	federal fund (652-00-3520-3800).....	No limit
36	Rural and low-income schools program –	
37	federal fund (652-00-3521-3810).....	No limit
38	TANF children's programs – federal	
39	fund (652-00-3323-0530).....	No limit
40	ESSA – student support	
41	academic enrichment –	
42	federal fund.....	No limit
43	Language assistance state grants –	

1 federal fund (652-00-3522-3820).....No limit  
 2 Service clearing fund (652-00-2869-2800).....No limit  
 3 Helping schools license plate program  
 4 fund (652-00-2606-2600).....No limit  
 5 General state aid transportation  
 6 weighting – state highway  
 7 fund (652-00-2222-2222).....No limit  
 8 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and  
 9 April 1, 2018, the director of accounts and reports shall transfer  
 10 \$24,150,000 from the state highway fund of the department of  
 11 transportation to the general state aid transportation weighting – state  
 12 highway fund of the department of education.  
 13 Special education transportation  
 14 weighting – state highway  
 15 fund (652-00-2223-2223).....No limit  
 16 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and  
 17 April 1, 2018, the director of accounts and reports shall transfer  
 18 \$2,500,000 from the state highway fund of the department of  
 19 transportation to the special education transportation weighting – state  
 20 highway fund of the department of education.  
 21 Career and technical education  
 22 transportation – state highway  
 23 fund (652-00-2139-2139).....No limit  
 24 *Provided*, That on July 1, 2017, the director of accounts and reports shall  
 25 transfer \$650,000 from the state highway fund of the department of  
 26 transportation to the career and technical education transportation – state  
 27 highway fund of the department of education.  
 28 Educational technology coordinator  
 29 fund (652-00-2157-2157).....No limit  
 30 *Provided*, That expenditures shall be made by the above agency for the  
 31 fiscal year ending June 30, 2018, from the educational technology  
 32 coordinator fund of the department of education to provide data on the  
 33 number of school districts served and cost savings for those districts in  
 34 fiscal year 2018 in order to assess the cost effectiveness of the position of  
 35 educational technology coordinator.  
 36 (c) There is appropriated for the above agency from the children's  
 37 initiatives fund for the fiscal year ending June 30, 2018, the following:  
 38 Pre-K program.....\$4,799,812  
 39 Parent education program.....\$7,237,635  
 40 *Provided*, That expenditures from the parent education program account  
 41 for each such grant shall be matched by the school district in an amount  
 42 which is equal to not less than 65% of the grant.  
 43 (d) On July 1, 2017, or as soon thereafter as moneys are available,

1 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and  
2 amendments thereto, or any other statute, the director of accounts and  
3 reports shall transfer \$50,000 from the family and children trust account of  
4 the family and children investment fund of the Kansas department for  
5 children and families to the communities in schools program fund of the  
6 department of education.

7 (e) On March 30, 2018, or as soon thereafter as moneys are available,  
8 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments  
9 thereto, or any other statute, the director of accounts and reports shall  
10 transfer \$550,000 from the state safety fund to the state general fund:  
11 *Provided*, That the transfer of such amount shall be in addition to any  
12 other transfer from the state safety fund to the state general fund as  
13 prescribed by law: *Provided further*; That the amount transferred from the  
14 state safety fund to the state general fund pursuant to this subsection is to  
15 reimburse the state general fund for accounting, auditing, budgeting, legal,  
16 payroll, personnel and purchasing services and any other governmental  
17 services that are performed on behalf of the department of education by  
18 other state agencies that receive appropriations from the state general fund  
19 to provide such services.

20 (f) On June 30, 2018, or as soon thereafter as moneys are available,  
21 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments  
22 thereto, or any other statute, the director of accounts and reports shall  
23 transfer \$550,000 from the state safety fund to the state general fund:  
24 *Provided*, That the transfer of such amount shall be in addition to any other  
25 transfer from the state safety fund to the state general fund as prescribed  
26 by law: *Provided further*; That the amount transferred from the state safety  
27 fund to the state general fund pursuant to this subsection is to reimburse  
28 the state general fund for accounting, auditing, budgeting, legal, payroll,  
29 personnel and purchasing services and any other governmental services  
30 that are performed on behalf of the department of education by other state  
31 agencies that receive appropriations from the state general fund to provide  
32 such services.

33 (g) On July 1, 2017, and quarterly thereafter, the director of accounts  
34 and reports shall transfer \$56,250 from the state highway fund of the  
35 department of transportation to the school bus safety fund of the  
36 department of education.

37 (h) On July 1, 2017, the director of accounts and reports shall transfer  
38 an amount certified by the commissioner of education from the motorcycle  
39 safety fund of the department of education to the motorcycle safety fund of  
40 the state board of regents: *Provided*, That the amount to be transferred  
41 shall be determined by the commissioner of education based on the  
42 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and  
43 amendments thereto.



1 (i) There is appropriated for the above agency from the expanded  
2 lottery act revenues fund for the fiscal year ending June 30, 2018, the  
3 following:

4 KPERS – non-school employer  
5 contribution.....\$35,430,948

6 (j) On July 1, 2017, or as soon thereafter as moneys are available, the  
7 director of accounts and reports shall transfer \$89,323 from the USAC E-  
8 rate program federal fund of the state board of regents to the education  
9 technology coordinator fund of the department of education: *Provided*,  
10 That the department of education shall provide information and data  
11 regarding the number of school districts served and cost savings attained  
12 by such school districts in order to assess the cost effectiveness of having  
13 this education technology coordinator position: *Provided further*, That such  
14 information and data shall be available by the department of education by  
15 the end of the fiscal year 2018.

16 Sec. 2.

17 DEPARTMENT OF EDUCATION

18 (a) There is appropriated for the above agency from the state general  
19 fund for the fiscal year ending June 30, 2019, the following:

20 Operating expenditures (including official  
21 hospitality) (652-00-1000-0053).....\$12,585,839

22 *Provided*, That any unencumbered balance in the operating expenditures  
23 (including official hospitality) account in excess of \$100 as of June 30,  
24 2018, is hereby reappropriated for fiscal year 2019.

25 Special education services  
26 aid (652-00-1000-0700).....\$447,980,455

27 *Provided*, That any unencumbered balance in the special education  
28 services aid account in excess of \$100 as of June 30, 2018, is hereby  
29 reappropriated for fiscal year 2019: *Provided further*; That expenditures  
30 shall not be made from the special education services aid account for the  
31 provision of instruction for any homebound or hospitalized child unless  
32 the categorization of such child as exceptional is conjoined with the  
33 categorization of the child within one or more of the other categories of  
34 exceptionality: *And provided further*; That expenditures shall be made from  
35 this account for grants to school districts in amounts determined pursuant  
36 to and in accordance with the provisions of K.S.A. 72-983, and  
37 amendments thereto: *And provided further*; That expenditures shall be  
38 made from the amount remaining in this account, after deduction of the  
39 expenditures specified in the foregoing proviso, for payments to school  
40 districts in amounts determined pursuant to and in accordance with the  
41 provisions of K.S.A. 72-978, and amendments thereto.

42 State foundation aid (652-00-1000-0820).....\$2,039,398,457  
43 *Provided*, That any unencumbered balance in the general state aid account

1 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal  
2 year 2019.

3 Supplemental state aid (652-00-1000-0840).....\$486,109,284

4 *Provided*, That any unencumbered balance in the supplemental general  
5 state aid account in excess of \$100 as of June 30, 2018, is hereby  
6 reappropriated for fiscal year 2019.

7 Mentor teacher (1000-0440).....\$800,000

8 Local excellence state aid.....\$2,593,452

9 Professional development.....\$1,700,000

10 Information technology education  
11 opportunities (652-00-1000-0600).....\$500,000

12 Kansas reading success  
13 program (652-00-1000-0070).....\$2,100,000

14 Discretionary grants (652-00-1000-0400).....\$322,457

15 *Provided*, That the above agency shall make expenditures from the  
16 discretionary grants account during the fiscal year 2019, in the amount not  
17 less than \$125,000 for after school programs for middle school students in  
18 the sixth, seventh and eighth grades: *Provided further*, That the after school  
19 programs may also include fifth and ninth grade students, if they attend a  
20 junior high: *And provided further*, That such discretionary grants shall be  
21 awarded to after school programs that operate for a minimum of two hours  
22 a day, every day that school is in session, and a minimum of six hours a  
23 day for a minimum of five weeks during the summer: *And provided*  
24 *further*, That the discretionary grants awarded to after school programs  
25 shall require a \$1 for \$1 local match: *And provided further*, That the  
26 aggregate amount of discretionary grants awarded to any one after school  
27 program shall not exceed \$25,000.

28 School food assistance (652-00-1000-0320).....\$2,510,486

29 School safety hotline (652-00-1000-0230).....\$10,000

30 KPERS – employer contributions –  
31 USDs.....\$421,856,124

32 KPERS – employer  
33 contributions (652-00-1000-0100).....\$31,538,101

34 *Provided*, That any unencumbered balance in the KPERS – employer  
35 contributions account in excess of \$100 as of June 30, 2018, is hereby  
36 reappropriated for fiscal year 2019: *Provided further*, That all expenditures  
37 from the KPERS – employer contributions account shall be for payment of  
38 participating employers' contributions to the Kansas public employees  
39 retirement system as provided in K.S.A. 74-4939, and amendments  
40 thereto: *And provided further*, That expenditures from this account for the  
41 payment of participating employers' contributions to the Kansas public  
42 employees retirement system may be made regardless of when the liability  
43 was incurred.

1 Educable deaf-blind and severely  
 2     handicapped children's programs  
 3     aid (652-00-1000-0630).....\$110,000  
 4 School district juvenile detention  
 5     facilities and Flint Hills  
 6     job corps center  
 7     grants (652-00-1000-0290).....\$4,771,500  
 8 *Provided*, That any unencumbered balance in the school district juvenile  
 9 detention facilities and Flint Hills job corps center grants account in excess  
 10 of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019:  
 11 *Provided further*, That expenditures shall be made from the school district  
 12 juvenile detention facilities and Flint Hills job corps center grants account  
 13 for grants to school districts in amounts determined pursuant to and in  
 14 accordance with the provisions of K.S.A. 72-8187, and amendments  
 15 thereto.  
 16 Governor's teaching excellence  
 17     scholarships and  
 18     awards (652-00-1000-0770).....\$327,500  
 19 *Provided*, That any unencumbered balance in the governor's teaching  
 20 excellence scholarships and awards account in excess of \$100 as of June  
 21 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*,  
 22 That all expenditures from the governor's teaching excellence scholarships  
 23 and awards account for teaching excellence scholarships shall be made in  
 24 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*  
 25 *further*, That each such grant shall be required to be matched on a \$1 for \$1  
 26 basis from nonstate sources: *And provided further*, That award of each such  
 27 grant shall be conditioned upon the recipient entering into an agreement  
 28 requiring the grant to be repaid if the recipient fails to complete the course  
 29 of training under the national board for professional teaching standards  
 30 certification program: *And provided further*, That all moneys received by  
 31 the department of education for repayment of grants for governor's  
 32 teaching excellence scholarships shall be deposited in the state treasury  
 33 and credited to the governor's teaching excellence scholarships program  
 34 repayment fund (652-00-7221-7200).  
 35 (b) There is appropriated for the above agency from the following  
 36 special revenue fund or funds for the fiscal year ending June 30, 2019, all  
 37 moneys now or hereafter lawfully credited to and available in such fund or  
 38 funds, except that expenditures other than refunds authorized by law and  
 39 transfers to other state agencies shall not exceed the following:  
 40 State school district finance  
 41     fund (652-00-7393-7000).....No limit  
 42 School district capital improvements  
 43     fund (652-00-2880-2880).....No limit

1	<i>Provided</i> , That expenditures from the school district capital improvements	
2	fund shall be made only for the payment of general obligation bonds	
3	approved by voters under the authority of K.S.A. 72-6761, and	
4	amendments thereto.	
5	Mineral production education	
6	fund (652-00-7669-7669).....	No limit
7	School district capital outlay state aid	
8	fund.....	No limit
9	Conversion of materials and equipment	
10	fund.....	No limit
11	State safety fund (652-00-2538-2030).....	No limit
12	School bus safety fund (652-00-2532-2300).....	No limit
13	Motorcycle safety fund (652-00-2633-2050).....	No limit
14	Federal indirect cost reimbursement	
15	fund (652-00-2312-2200).....	No limit
16	Teacher and administrator fee	
17	fund (652-00-2728-2700).....	No limit
18	Food assistance –	
19	federal fund (652-00-3230-3020).....	No limit
20	Food assistance – school breakfast program –	
21	federal fund (652-00-3529-3490).....	No limit
22	Food assistance – national school lunch program –	
23	federal fund (652-00-3530-3500).....	No limit
24	Food assistance – child and	
25	adult care food program –	
26	federal fund (652-00-3531-3510).....	No limit
27	Community-based child	
28	abuse prevention –	
29	federal fund (652-00-3319-7400).....	No limit
30	Family and children investment	
31	fund (652-00-7375).....	No limit
32	Elementary and secondary school aid –	
33	federal fund (652-00-3233-3040).....	No limit
34	Educationally deprived children – state operations –	
35	federal fund (652-00-3131-3130).....	No limit
36	Elementary and secondary school –	
37	educationally deprived children –	
38	LEA's fund (652-00-3532-3520).....	No limit
39	ESEA chapter II – state operations –	
40	federal fund (652-00-3132-3140).....	No limit
41	Education of handicapped children fund –	
42	federal (652-00-3234-3050).....	No limit
43	Education of handicapped children	

1	fund – state operations –	
2	federal fund (652-00-3534-3540).....	No limit
3	Education of handicapped children	
4	fund – preschool – federal	
5	fund (652-00-3535-3550).....	No limit
6	Education of handicapped children	
7	fund – preschool state operations –	
8	federal (652-00-3536-3560).....	No limit
9	Elementary and secondary school	
10	aid – federal fund – migrant	
11	education fund (652-00-3537-3570).....	No limit
12	Elementary and secondary school aid –	
13	federal fund – migrant education –	
14	state operations (652-00-3538-3580) .....	No limit
15	Vocational education title II –	
16	federal fund (652-00-3539-3590).....	No limit
17	Vocational education title II –	
18	federal fund – state	
19	operations (652-00-3540-3600) .....	No limit
20	Educational research grants and projects	
21	fund (652-00-3592-3070).....	No limit
22	Drug abuse fund – department of education –	
23	federal (652-00-3795-3100).....	No limit
24	Drug abuse funds – federal – state operations	
25	fund (652-00-3799-3110).....	No limit
26	Inservice education workshop	
27	fee fund (652-00-2230-2010).....	No limit
28	<i>Provided</i> , That expenditures may be made from the inservice education	
29	workshop fee fund for operating expenditures, including official	
30	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
31	<i>further</i> , That the state board of education is hereby authorized to fix,	
32	charge and collect fees for inservice workshops and conferences: <i>And</i>	
33	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
34	part of such operating expenditures incurred for inservice workshops and	
35	conferences: <i>And provided further</i> , That all fees received for inservice	
36	workshops and conferences shall be deposited in the state treasury in	
37	accordance with the provisions of K.S.A. 75-4215, and amendments	
38	thereto, and shall be credited to the inservice education workshop fee fund.	
39	Private donations, gifts, grants and bequests	
40	fund (652-00-7307-5000).....	No limit
41	Reimbursement for services	
42	fund (652-00-3056-3200).....	No limit
43	Communities in schools program	

1	fund (652-00-2221-2400).....	No limit
2	Governor's teaching excellence scholarships program repayment	
3	fund (652-00-7221-7200).....	No limit
4	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
5	scholarships program repayment fund shall be made in accordance with	
6	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
7	such grant shall be required to be matched on a \$1 for \$1 basis from	
8	nonstate sources: <i>And provided further</i> , That award of each such grant shall	
9	be conditioned upon the recipient entering into an agreement requiring the	
10	grant to be repaid if the recipient fails to complete the course of training	
11	under the national board for professional teaching standards certification	
12	program: <i>And provided further</i> , That all moneys received by the	
13	department of education for repayment of grants made under the	
14	governor's teaching excellence scholarships program shall be deposited in	
15	the state treasury in accordance with the provisions of K.S.A. 75-4215, and	
16	amendments thereto, and shall be credited to the governor's teaching	
17	excellence scholarships program repayment fund.	
18	State grants for improving teacher quality –	
19	federal fund (652-00-3526-3860).....	No limit
20	State grants for improving	
21	teacher quality – federal fund –	
22	state operations (652-00-3527-3870).....	No limit
23	21st century community l	
24	earning centers – federal	
25	fund (652-00-3519-3890).....	No limit
26	State assessments –	
27	federal fund (652-00-3520-3800).....	No limit
28	Rural and low-income schools program –	
29	federal fund (652-00-3521-3810).....	No limit
30	TANF children's programs – federal	
31	fund (652-00-3323-0530).....	No limit
32	ESSA – student support	
33	academic enrichment –	
34	federal fund.....	No limit
35	Language assistance state grants –	
36	federal fund (652-00-3522-3820).....	No limit
37	Service clearing fund (652-00-2869-2800).....	No limit
38	Helping schools	
39	license plate program	
40	fund (652-00-2606-2600).....	No limit
41	General state aid transportation	
42	weighting – state highway	
43	fund (652-00-2222-2222).....	No limit

1 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and  
 2 April 1, 2019, the director of accounts and reports shall transfer  
 3 \$24,150,000 from the state highway fund of the department of  
 4 transportation to the general state aid transportation weighting – state  
 5 highway fund of the department of education.  
 6 Special education transportation  
 7 weighting – state highway  
 8 fund (652-00-2223-2223).....No limit

9 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and  
 10 April 1, 2019, the director of accounts and reports shall transfer  
 11 \$2,500,000 from the state highway fund of the department of  
 12 transportation to the special education transportation weighting – state  
 13 highway fund of the department of education.  
 14 Career and technical education  
 15 transportation – state highway  
 16 fund (652-00-2139-2139).....No limit

17 *Provided*, That on July 1, 2018, the director of accounts and reports shall  
 18 transfer \$650,000 from the state highway fund of the department of  
 19 transportation to the career and technical education transportation – state  
 20 highway fund of the department of education.  
 21 Educational technology coordinator  
 22 fund (652-00-2157-2157).....No limit

23 *Provided*, That expenditures shall be made by the above agency for the  
 24 fiscal year ending June 30, 2019, from the educational technology  
 25 coordinator fund of the department of education to provide data on the  
 26 number of school districts served and cost savings for those districts in  
 27 fiscal year 2019 in order to assess the cost effectiveness of the position of  
 28 educational technology coordinator.

29 (c) There is appropriated for the above agency from the children's  
 30 initiatives fund for the fiscal year ending June 30, 2019, the following:

31 Pre-K program.....	\$4,799,812
32 Parent education program.....	\$7,237,635

33 *Provided*, That expenditures from the parent education program account  
 34 for each such grant shall be matched by the school district in an amount  
 35 which is equal to not less than 65% of the grant.

36 (d) On July 1, 2018, or as soon thereafter as moneys are available,  
 37 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and  
 38 amendments thereto, or any other statute, the director of accounts and  
 39 reports shall transfer \$50,000 from the family and children trust account of  
 40 the family and children investment fund of the Kansas department for  
 41 children and families to the communities in schools program fund of the  
 42 department of education.

43 (e) On March 30, 2019, or as soon thereafter as moneys are available,

1 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments  
 2 thereto, or any other statute, the director of accounts and reports shall  
 3 transfer \$550,000 from the state safety fund to the state general fund:  
 4 *Provided*, That the transfer of such amount shall be in addition to any  
 5 other transfer from the state safety fund to the state general fund as  
 6 prescribed by law: *Provided further*, That the amount transferred from the  
 7 state safety fund to the state general fund pursuant to this subsection is to  
 8 reimburse the state general fund for accounting, auditing, budgeting, legal,  
 9 payroll, personnel and purchasing services and any other governmental  
 10 services that are performed on behalf of the department of education by  
 11 other state agencies that receive appropriations from the state general fund  
 12 to provide such services.

13 (f) On June 30, 2019, or as soon thereafter as moneys are available,  
 14 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments  
 15 thereto, or any other statute, the director of accounts and reports shall  
 16 transfer \$550,000 from the state safety fund to the state general fund:  
 17 *Provided*, That the transfer of such amount shall be in addition to any other  
 18 transfer from the state safety fund to the state general fund as prescribed  
 19 by law: *Provided further*, That the amount transferred from the state safety  
 20 fund to the state general fund pursuant to this subsection is to reimburse  
 21 the state general fund for accounting, auditing, budgeting, legal, payroll,  
 22 personnel and purchasing services and any other governmental services  
 23 that are performed on behalf of the department of education by other state  
 24 agencies that receive appropriations from the state general fund to provide  
 25 such services.

26 (g) On July 1, 2018, and quarterly thereafter, the director of accounts  
 27 and reports shall transfer \$56,250 from the state highway fund of the  
 28 department of transportation to the school bus safety fund of the  
 29 department of education.

30 (h) On July 1, 2018, the director of accounts and reports shall transfer  
 31 an amount certified by the commissioner of education from the motorcycle  
 32 safety fund of the department of education to the motorcycle safety fund of  
 33 the state board of regents: *Provided*, That the amount to be transferred  
 34 shall be determined by the commissioner of education based on the  
 35 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and  
 36 amendments thereto.

37 (i) There is appropriated for the above agency from the expanded  
 38 lottery act revenues fund for the fiscal year ending June 30, 2019, the  
 39 following:

40 KPERS – non-school employer  
 41 contribution.....\$35,430,948

42 (j) On July 1, 2018, or as soon thereafter as moneys are available, the  
 43 director of accounts and reports shall transfer \$89,323 from the USAC E-



1 rate program federal fund of the state board of regents to the education  
2 technology coordinator fund of the department of education: *Provided*,  
3 That the department of education shall provide information and data  
4 regarding the number of school districts served and cost savings attained  
5 by such school districts in order to assess the cost effectiveness of having  
6 this education technology coordinator position: *Provided further*; That such  
7 information and data shall be available by the department of education by  
8 the end of the fiscal year 2019.

9 New Sec. 3. Sections 3 through 49, and amendments thereto, shall be  
10 known and may be cited as the Kansas school equity and enhancement act.

11 New Sec. 4. As used in the Kansas school equity and enhancement  
12 act, section 3 et seq., and amendments thereto:

13 (a) "Adjusted enrollment" means the enrollment of a school district  
14 adjusted by adding the following weightings, if any, to the enrollment of  
15 the school district: At-risk student weighting; career technical education  
16 weighting; declining enrollment weighting; enrollment weighting; high-  
17 density at-risk student weighting; bilingual weighting; school facilities  
18 weighting; ancillary school facilities weighting; special education and  
19 related services weighting; and transportation weighting.

20 (b) "Ancillary school facilities weighting" means an addend  
21 component assigned to the enrollment of school districts pursuant to  
22 section 34, and amendments thereto, on the basis of costs attributable to  
23 commencing operation of one or more new school facilities by such school  
24 districts.

25 (c) (1) "At-risk student" means a student who is eligible for free  
26 meals under the national school lunch act, and who is enrolled in a school  
27 district that maintains an approved at-risk student assistance program.

28 (2) The term "at-risk student" shall not include any student enrolled  
29 in any of the grades one through 12 who is in attendance less than full  
30 time, or any student who is over 19 years of age. The provisions of this  
31 paragraph shall not apply to any student who has an individualized  
32 education program.

33 (d) "At-risk student weighting" means an addend component assigned  
34 to the enrollment of school districts pursuant to section 27(a), and  
35 amendments thereto, on the basis of costs attributable to the maintenance  
36 of at-risk educational programs by such school districts.

37 (e) "Base aid for student excellence" or "BASE aid" means an amount  
38 appropriated by the legislature in a fiscal year for the designated year. The  
39 amount of BASE aid shall be as follows:

40 (1) For school year 2017-2018, \$4,006;

41 (2) for school year 2018-2019, \$4,128; and

42 (3) for school year 2019-2020, and each school year thereafter, the  
43 BASE aid shall be the BASE aid amount for the immediately preceding

1 school year plus an amount equal to the percentage increase in the  
2 consumer price index for all urban consumers in the midwest region as  
3 published by the bureau of labor statistics of the United States department  
4 of labor during the second preceding school year.

5 (f) "Bilingual weighting" means an addend component assigned to  
6 the enrollment of school districts pursuant to section 26, and amendments  
7 thereto, on the basis of costs attributable to the maintenance of bilingual  
8 educational programs by such school districts.

9 (g) "Board" means the board of education of a school district.

10 (h) "Budget per student" means the general fund budget of a school  
11 district divided by the enrollment of the school district.

12 (i) "Categorical fund" means and includes the following funds of a  
13 school district: Adult education fund; adult supplementary education fund;  
14 at-risk education fund; bilingual education fund; career and postsecondary  
15 education fund; driver training fund; educational excellence grant program  
16 fund; extraordinary school program fund; food service fund; parent  
17 education program fund; preschool-aged at-risk education fund;  
18 professional development fund; special education fund; and summer  
19 program fund.

20 (j) "Current school year" means the school year during which state  
21 foundation aid is determined by the state board under section 6, and  
22 amendments thereto.

23 (k) "Declining enrollment weighting" means an addend component  
24 assigned to the enrollment of school districts pursuant to section 35, and  
25 amendments thereto, on the basis of costs attributable to the declining  
26 enrollment of such school districts.

27 (l) "Enrollment" means:

28 (1) The number of students regularly enrolled in kindergarten and  
29 grades one through 12 in the school district on September 20 of the  
30 preceding school year plus the number of preschool-aged at-risk students  
31 regularly enrolled in the school district on September 20 of the current  
32 school year, except a student who is a foreign exchange student shall not  
33 be counted unless such student is regularly enrolled in the school district  
34 on September 20 and attending kindergarten or any of the grades one  
35 through 12 maintained by the school district for at least one semester or  
36 two quarters, or the equivalent thereof.

37 (2) If the enrollment in a school district in the preceding school year  
38 has decreased from enrollment in the second preceding school year, the  
39 enrollment of the school district in the current school year means the sum  
40 of:

41 (A) The enrollment in the second preceding school year, excluding  
42 students under paragraph (2)(B), minus enrollment in the preceding school  
43 year of preschool-aged at-risk students, if any, plus enrollment in the

1 current school year of preschool-aged at-risk students, if any; and

2 (B) the adjusted enrollment in the second preceding school year of  
3 any students participating in the tax credit for low income students  
4 scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and  
5 amendments thereto, in the preceding school year, if any, plus the adjusted  
6 enrollment in the preceding school year of preschool-aged at-risk students  
7 who are participating in the tax credit for low income students scholarship  
8 program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and amendments  
9 thereto, in the current school year, if any.

10 (m) "February 20" has its usual meaning, except that in any year in  
11 which February 20 is not a day on which school is maintained, it means  
12 the first day after February 20 on which school is maintained.

13 (n) "Federal impact aid" means an amount equal to the federally  
14 qualified percentage of the amount of moneys a school district receives in  
15 the current school year under the provisions of title I of public law 874 and  
16 congressional appropriations therefor, excluding amounts received for  
17 assistance in cases of major disaster and amounts received under the low-  
18 rent housing program. The amount of federal impact aid shall be  
19 determined by the state board in accordance with terms and conditions  
20 imposed under the provisions of the public law and rules and regulations  
21 thereunder.

22 (o) "General fund" means the fund of a school district from which  
23 operating expenses are paid and in which is deposited all amounts of state  
24 foundation aid provided under this act, payments under K.S.A. 72-7105a,  
25 and amendments thereto, payments of federal funds made available under  
26 the provisions of title I of public law 874, except amounts received for  
27 assistance in cases of major disaster and amounts received under the low-  
28 rent housing program and such other moneys as are provided by law.

29 (p) "General fund budget" means the amount budgeted for operating  
30 expenses in the general fund of a school district.

31 (q) "Enrollment weighting" means an added component assigned to  
32 the enrollment of school districts pursuant to section 25, and amendments  
33 thereto, on the basis of costs attributable to maintenance of educational  
34 programs by such school districts.

35 (r) "High-density at-risk student weighting" means an addend  
36 component assigned to the enrollment of school districts pursuant to  
37 section 27(b), and amendments thereto, on the basis of costs attributable to  
38 the maintenance of at-risk educational programs by such school districts.

39 (s) "Juvenile detention facility" means the same as such term is  
40 defined in K.S.A. 72-8187, and amendments thereto.

41 (t) "Local foundation aid" means the sum of the following amounts:

42 (1) An amount equal to any unexpended and unencumbered balance  
43 remaining in the general fund of the school district, except moneys

1 received by the school district and authorized to be expended for the  
2 purposes specified in section 43, and amendments thereto;

3 (2) an amount equal to any remaining proceeds from taxes levied  
4 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,  
5 prior to their repeal;

6 (3) an amount equal to the amount deposited in the general fund in  
7 the current school year from moneys received in such school year by the  
8 school district under the provisions of K.S.A. 72-1046a(a), and  
9 amendments thereto;

10 (4) an amount equal to the amount deposited in the general fund in  
11 the current school year from moneys received in such school year by the  
12 school district pursuant to contracts made and entered into under authority  
13 of K.S.A. 72-6757, and amendments thereto;

14 (5) an amount equal to the amount credited to the general fund in the  
15 current school year from moneys distributed in such school year to the  
16 school district under the provisions of articles 17 and 34 of chapter 12 of  
17 the Kansas Statutes Annotated, and amendments thereto, and under the  
18 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes  
19 Annotated, and amendments thereto;

20 (6) an amount equal to the amount of payments received by the  
21 school district under the provisions of K.S.A. 72-979, and amendments  
22 thereto;

23 (7) an amount equal to the amount of any grant received by the  
24 school district under the provisions of K.S.A. 72-983, and amendments  
25 thereto; and

26 (8) an amount equal to 70% of the federal impact aid of the school  
27 district.

28 (u) "Operating expenses" means the total expenditures and lawful  
29 transfers from the general fund of a school district during a school year for  
30 all purposes, except expenditures for the purposes specified in section 43,  
31 and amendments thereto.

32 (v) "Preceding school year" means the school year immediately  
33 before the current school year.

34 (w) "Preschool-aged at-risk student" means an at-risk student who  
35 has attained the age of four years, is under the age of eligibility for  
36 attendance at kindergarten, and has been selected by the state board in  
37 accordance with guidelines governing the selection of students for  
38 participation in head start programs.

39 (x) "Preschool-aged exceptional children" means exceptional  
40 children, except gifted children, who have attained the age of three years  
41 but are under the age of eligibility for attendance at kindergarten. The  
42 terms "exceptional children" and "gifted children" have the same meaning  
43 as those terms are defined in K.S.A. 72-962, and amendments thereto.

1 (y) "Psychiatric residential treatment facility" means the same as such  
2 term is defined in K.S.A. 72-8187, and amendments thereto.

3 (z) "School district" means a school district organized under the laws  
4 of this state that is maintaining public school for a school term in  
5 accordance with the provisions of K.S.A. 72-1106, and amendments  
6 thereto.

7 (aa) "School facilities weighting" means an added component  
8 assigned to the enrollment of school districts pursuant to section 32, and  
9 amendments thereto, on the basis of costs attributable to commencing  
10 operation of one or more new school facilities by such school districts.

11 (bb) "School year" means the 12-month period ending June 30.

12 (cc) "September 20" has its usual meaning, except that in any year in  
13 which September 20 is not a day on which school is maintained, it means  
14 the first day after September 20 on which school is maintained.

15 (dd) "Special education and related services weighting" means an  
16 addend component assigned to the enrollment of school districts pursuant  
17 to section 33, and amendments thereto, on the basis of costs attributable to  
18 the maintenance of special education and related services by such school  
19 districts.

20 (ee) "State board" means the state board of education.

21 (ff) "State foundation aid" means the amount of aid distributed to  
22 school district as determined by the state board pursuant to section 6, and  
23 amendments thereto.

24 (gg) (1) "Student" means any person who is regularly enrolled in a  
25 school district and attending kindergarten or any of the grades one through  
26 12 maintained by the school district or who is regularly enrolled in a  
27 school district and attending kindergarten or any of the grades one through  
28 12 in another school district in accordance with an agreement entered into  
29 under authority of K.S.A. 72-8233, and amendments thereto, or who is  
30 regularly enrolled in a school district and attending special education  
31 services provided for preschool-aged exceptional children by the school  
32 district.

33 (2) (A) Except as otherwise provided in this subsection, the following  
34 shall be counted as one student:

35 (i) A student in attendance full-time; and

36 (ii) a student enrolled in a school district and attending special  
37 education and related services, provided for by the school district.

38 (B) The following shall be counted as  $\frac{1}{2}$  student:

39 (i) A student enrolled in a school district and attending special  
40 education and related services for preschool-aged exceptional children  
41 provided for by the school district; and

42 (ii) a preschool-aged at-risk student enrolled in a school district and  
43 receiving services under an approved at-risk student assistance plan

1 maintained by the school district.

2 (D) A student in attendance part-time shall be counted as that  
3 proportion of one student (to the nearest  $\frac{1}{10}$ ) that the student's attendance  
4 bears to full-time attendance.

5 (E) A student enrolled in and attending an institution of  
6 postsecondary education that is authorized under the laws of this state to  
7 award academic degrees shall be counted as one student if the student's  
8 postsecondary education enrollment and attendance together with the  
9 student's attendance in either of the grades 11 or 12 is at least  $\frac{5}{6}$  time,  
10 otherwise the student shall be counted as that proportion of one student (to  
11 the nearest  $\frac{1}{10}$ ) that the total time of the student's postsecondary education  
12 attendance and attendance in grades 11 or 12, as applicable, bears to full-  
13 time attendance.

14 (F) A student enrolled in and attending a technical college, a career  
15 technical education program of a community college or other approved  
16 career technical education program shall be counted as one student, if the  
17 student's career technical education attendance together with the student's  
18 attendance in any of grades nine through 12 is at least  $\frac{5}{6}$  time, otherwise  
19 the student shall be counted as that proportion of one student (to the  
20 nearest  $\frac{1}{10}$ ) that the total time of the student's career technical education  
21 attendance and attendance in any of grades nine through 12 bears to full-  
22 time attendance.

23 (G) A student enrolled in a school district and attending a non-virtual  
24 school and also attending a virtual school shall be counted as that  
25 proportion of one student (to the nearest  $\frac{1}{10}$ ) that the student's attendance  
26 at the non-virtual school bears to full-time attendance.

27 (H) A student enrolled in a school district and attending special  
28 education and related services provided for by the school district and also  
29 attending a virtual school shall be counted as that proportion of one  
30 student (to the nearest  $\frac{1}{10}$ ) that the student's attendance at the non-virtual  
31 school bears to full-time attendance.

32 (3) The following shall not be counted as a student:

33 (A) An individual residing at the Flint Hills job corps center;

34 (B) except as provided in subsection (ii)(2), an individual confined in  
35 and receiving educational services provided for by a school district at a  
36 juvenile detention facility; and

37 (C) an individual enrolled in a school district but housed, maintained  
38 and receiving educational services at a state institution or a psychiatric  
39 residential treatment facility.

40 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et  
41 seq., and amendments thereto, shall be counted in accordance with the  
42 provisions of K.S.A. 2016 Supp. 72-3715, and amendments thereto.

43 (hh) "Total foundation aid" means an amount equal to the product

1 obtained by multiplying the BASE aid by the adjusted enrollment of a  
2 school district.

3 (ii) "Transportation weighting" means an addend component assigned  
4 to the enrollment of school districts pursuant to section 24, and  
5 amendments thereto, on the basis of costs attributable to the provision or  
6 furnishing of transportation.

7 (jj) "Virtual school" means the same as such term is defined in K.S.A.  
8 2016 Supp. 72-3712, and amendments thereto.

9 New Sec. 5. (a) The state school district finance fund, established by  
10 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in  
11 existence and shall consist of: (1) All moneys credited to such fund under  
12 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and  
13 (2) all amounts transferred to such fund under sections 8, 14, 15, 34 and  
14 35, and amendments thereto.

15 (b) The state school district finance fund shall be used for the purpose  
16 of school district finance and for no other governmental purpose. It is the  
17 intent of the legislature that the fund shall remain intact and inviolate for  
18 such purpose, and moneys in the fund shall not be subject to the provisions  
19 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

20 (c) Amounts in the state school district finance fund shall be allocated  
21 and distributed to school districts as a portion of state foundation aid  
22 provided for under this act.

23 New Sec. 6. In each school year, the state board shall determine the  
24 amount of state foundation aid for each school district for such school  
25 year. The state board shall determine the amount of the school district's  
26 local foundation aid for the school year. If the amount of the school  
27 district's local foundation aid is greater than the amount of total foundation  
28 aid determined for the school district for the school year, the school district  
29 shall not receive state foundation aid in any amount. If the amount of the  
30 school district's local foundation aid is less than the amount of total  
31 foundation aid determined for the school district for the school year, the  
32 state board shall subtract the amount of the school district's local  
33 foundation aid from the amount of total foundation aid. The remainder is  
34 the amount of state foundation aid the school district shall receive for the  
35 school year.

36 New Sec. 7. (a) The distribution of state foundation aid under this act  
37 shall be made in accordance with appropriation acts each year as provided  
38 in this section.

39 (b) (1) In the months of July through May of each school year, the  
40 state board shall determine the amount of state foundation aid that will be  
41 required by each school district to maintain operations in each such month.  
42 In making such determination, the state board shall take into consideration  
43 the school district's access to local foundation aid and the obligations of

1 the general fund that must be satisfied during the month. The amount  
2 determined by the state board under this provision is the amount of state  
3 foundation aid that will be distributed to the school district in the months  
4 of July through May.

5 (2) In the month of June of each school year, payment shall be made  
6 of the full amount of the state foundation aid determined for the school  
7 year less the sum of the monthly payments made in the months of July  
8 through May pursuant to subsection (b)(1).

9 (c) Payments of state foundation aid shall be distributed to school  
10 districts once each month on the dates prescribed by the state board. The  
11 state board shall certify to the director of accounts and reports the amount  
12 due as state foundation aid to each school district in each of the months of  
13 July through June. Such certification, and the amount of state foundation  
14 aid payable from the state general fund, shall be approved by the director  
15 of the budget. The director of accounts and reports shall draw warrants on  
16 the state treasurer payable to the school district treasurer of each school  
17 district, pursuant to vouchers approved by the state board. Upon receipt of  
18 such warrant, each school district treasurer shall deposit the amount of  
19 state foundation aid in the general fund of the school district, except that  
20 an amount equal to the amount of federal impact aid not included in the  
21 local foundation aid of a school district may be disposed of as provided in  
22 section 41(a), and amendments thereto.

23 (d) If any amount of state foundation aid that is due to be paid during  
24 the month of June of a school year pursuant to the other provisions of this  
25 section is not paid on or before June 30 of such school year, then such  
26 payment shall be paid on or after the ensuing July 1, as soon as moneys are  
27 available therefor. Any payment of state foundation aid that is due to be  
28 paid during the month of June of a school year and that is paid to school  
29 districts on or after the ensuing July 1 shall be recorded and accounted for  
30 by school districts as a receipt for the school year ending on the preceding  
31 June 30.

32 New Sec. 8. In the event any school district is paid more than it is  
33 entitled to receive under any distribution made under this act or under any  
34 statute repealed by this act, the state board shall notify the school district  
35 of the amount of such overpayment, and such school district shall remit the  
36 same to the state board. The state board shall remit any moneys so  
37 received to the state treasurer in accordance with the provisions of K.S.A.  
38 75-4215, and amendments thereto. Upon receipt of each such remittance,  
39 the state treasurer shall deposit the entire amount in the state treasury to  
40 the credit of the state school district finance fund. If any school district  
41 fails to remit, the state board shall deduct the excess amounts paid from  
42 future payments becoming due to the school district. In the event any  
43 school district is paid less than the amount it is to receive under any



1 distribution made under this act, the state board shall pay the additional  
2 amount due at any time within the school year in which the underpayment  
3 was made or within 60 days after the end of such school year.

4 New Sec. 9. On or before October 10 of each school year, the clerk or  
5 superintendent of each school district shall certify under oath to the state  
6 board a report showing the total enrollment of the school district by grades  
7 maintained in the schools of the school district and such other reports as  
8 the state board may require. Each such report shall show postsecondary  
9 education enrollment, career technical education enrollment, special  
10 education enrollment, bilingual education enrollment, at-risk student  
11 enrollment and virtual school enrollment in such detail and form as is  
12 specified by the state board. Upon receipt of such reports, the state board  
13 shall examine the reports and if the state board finds any errors in any such  
14 report, the state board shall consult with the school district officer  
15 furnishing the report and make any necessary corrections in the report. On  
16 or before August 25 of each year, each such clerk or superintendent shall  
17 also certify to the state board a copy of the budget adopted by the school  
18 district.

19 New Sec. 10. (a) If the state board determines that the enrollment of a  
20 school district in the preceding school year decreased from the enrollment  
21 in the second preceding school year and that a disaster contributed to such  
22 decrease, the enrollment of such school district in the second school year  
23 following the school year in which the enrollment of the school district  
24 was first affected by the disaster shall be the greater of:

25 (1) The enrollment of preschool-aged at-risk students, if any, plus the  
26 average of the enrollment for the current and the preceding three school  
27 years, excluding the enrollment of preschool-aged at-risk students in each  
28 such year; or

29 (2) the enrollment of the school district, as defined in section 4, and  
30 amendments thereto.

31 (b) As used in this section, "disaster" means the occurrence of  
32 widespread or severe damage, injury or loss of life or property resulting  
33 from flood, earthquake, tornado, wind, storm, drought, blight or  
34 infestation.

35 New Sec. 11. (a) Each school year, the state board shall:

36 (1) Determine the number of students enrolled in each school district  
37 on September 20 of the preceding school year;

38 (2) determine the number of military students enrolled in each school  
39 district on September 20 of the preceding school year who were not  
40 enrolled in such school district on February 20 of the same school year;

41 (3) determine the number of military students enrolled in each school  
42 district on February 20 of the preceding school year who were not enrolled  
43 in such school district on September 20 of the same school year; and

1 (4) subtract the number determined under subsection (a)(2) from the  
2 number determined under subsection (a)(3).

3 (b) (1) If the number obtained under subsection (a)(4) is 25 or more,  
4 an amount equal to the number obtained under subsection (a)(4) shall be  
5 added to the number determined under subsection (a)(1). The sum is the  
6 enrollment of the school district; or

7 (2) if the number obtained under subsection (a)(4) is at least 1% of  
8 the number determined under subsection (a)(1), an amount equal to the  
9 number obtained under subsection (a)(4) shall be added to the number  
10 determined under subsection (a)(1). The sum is the enrollment of the  
11 school district.

12 (c) The state board shall recompute the adjusted enrollment of the  
13 school district and the general fund budget of the school district based on  
14 the enrollment as determined under this section.

15 (d) School districts desiring to determine enrollment under this  
16 section shall submit any documentation or information required by the  
17 state board.

18 (e) As used in this section, the term "military student" means a person  
19 who is a dependent of a full-time active duty member of the military  
20 service or a dependent of a member of any of the United States military  
21 reserve forces who has been ordered to active duty under 10 U.S.C. §§  
22 12301, 12302 or 12304, or ordered to full-time active duty for a period of  
23 more than 30 consecutive days under 32 U.S.C. §§ 502(f) or 512 for the  
24 purposes of mobilizing for war, international peacekeeping missions,  
25 national emergency or homeland defense activities.

26 New Sec. 12. Whenever a new school district has been established or  
27 the boundaries of a school district have been changed, the state board shall  
28 make appropriate revisions concerning the affected school districts as may  
29 be necessary for the purposes of this act to reflect such establishment of a  
30 school district or changes in boundaries. Such revisions shall be based on  
31 the most reliable data obtainable from the superintendent of the school  
32 district and the county clerk.

33 New Sec. 13. (a) (1) For the purposes of this act, the total foundation  
34 aid for any school district formed by consolidation in accordance with the  
35 statutory provisions contained in article 87 of chapter 72 of the Kansas  
36 Statutes Annotated, and amendments thereto, shall be computed by the  
37 state board by determining the amount of the total foundation aid each of  
38 the former school districts that comprise the consolidated school district  
39 received in the school year preceding the date the consolidation was  
40 completed, and calculating the sum of such amounts. The sum is the total  
41 foundation aid of the consolidated school district for the school year in  
42 which the consolidation was completed.

43 (2) If any of the former school districts had an enrollment of less than

1 150 students in the school year preceding the consolidation, the total  
2 foundation aid of the newly consolidated school district for the two school  
3 years following the school year in which the consolidation was completed  
4 shall be the greater of: (A) The amount received in the school year in  
5 which the consolidation was completed; or (B) the amount the school  
6 district would receive under this act.

7 (3) If all of the former school districts had an enrollment of at least  
8 150 students, but any had less than 200 students in the school year  
9 preceding the consolidation, the total foundation aid of the newly  
10 consolidated school district for the three school years following the school  
11 year in which the consolidation was completed shall be the greater of: (A)  
12 The amount received in the school year in which the consolidation was  
13 completed; or (B) the amount the school district would receive under this  
14 act.

15 (4) If all of the former school districts had an enrollment of 200 or  
16 more students in the school year preceding the consolidation, the total  
17 foundation aid of the newly consolidated school district for the four school  
18 years following the school year in which the consolidation was completed  
19 shall be the greater of: (A) The amount received in the school year in  
20 which the consolidation was completed; or (B) the amount the school  
21 district would receive under this act.

22 (5) If the consolidation involved the consolidation of three or more  
23 school districts, regardless of the number of students enrolled in the school  
24 districts, the total foundation aid of the newly consolidated school district  
25 for the four school years following the school year in which the  
26 consolidation was completed shall be the greater of: (A) The amount  
27 received in the school year in which the consolidation was completed; or  
28 (B) the amount the school district would receive under this act.

29 (b) (1) The provisions of this subsection shall apply to school districts  
30 that have been enlarged by the attachment of territory pursuant to the  
31 procedure established in article 73 of chapter 72 of the Kansas Statutes  
32 Annotated, and amendments thereto.

33 (2) For the purposes of this act, the total foundation aid for any  
34 school district to which this subsection applies shall be computed by the  
35 state board of education as follows: (A) Determine the amount of the total  
36 foundation aid each of the former school districts that comprise the  
37 enlarged school district received in the school year preceding the date the  
38 attachment was completed; and (B) add the amounts determined under  
39 subparagraph (A). The sum is the total foundation aid of the enlarged  
40 school district for the school year in which the attachment is completed.

41 (3) If any of the former school districts had an enrollment of less than  
42 150 students in the school year preceding the attachment, the total  
43 foundation aid of the enlarged school district for the two school years

1 following the school year in which the attachment was completed shall be  
2 the greater of: (A) The amount received in the school year in which the  
3 attachment was completed; or (B) the amount the school district would  
4 receive under this act.

5 (4) If all of the former school districts had an enrollment of at least  
6 150 students, but any had less than 200 students in the school year  
7 preceding the attachment, the total foundation aid of the enlarged school  
8 district for the three school years following the school year in which the  
9 attachment was completed shall be the greater of: (A) The amount  
10 received in the school year in which the attachment was completed; or (B)  
11 the amount the school district would receive under this act.

12 (5) If all of the former school districts had an enrollment of 200 or  
13 more students in the school year preceding the attachment, the total  
14 foundation aid of the enlarged school district for the four school years  
15 following the school year in which the attachment was completed shall be  
16 the greater of: (A) The amount received in the school year in which the  
17 attachment was completed; or (B) the amount the school district would  
18 receive under this act.

19 (6) If three or more school districts, regardless of the number of  
20 students enrolled in the school districts, are disorganized and attached to a  
21 single school district, the total foundation aid of the enlarged school  
22 district for the four school years following the school year in which the  
23 attachment was completed shall be the greater of: (A) The amount  
24 received in the school year in which the attachment was completed; or (B)  
25 the amount the school district would receive under this act.

26 (7) Except as specifically provided by this paragraph for the  
27 allocation of total foundation aid among school districts, the provisions of  
28 paragraphs (1) through (6) shall be applicable to school districts to which  
29 this paragraph applies. If a school district is disorganized in accordance  
30 with article 73 of chapter 72 of the Kansas Statutes Annotated, and  
31 amendments thereto, and the territory of such school district is attached to  
32 more than one school district, the total foundation aid for each school  
33 district to which any territory from the disorganized school district is  
34 attached, shall be computed by the state board as follows: (A) Determine  
35 the amount of total foundation aid received by the former school district in  
36 the school year preceding the date the disorganization and attachment was  
37 completed; (B) determine the amount of total foundation aid received by  
38 the enlarged school district in the school year preceding the date the  
39 disorganization and attachment was completed; (C) determine the assessed  
40 valuation of the former school district in the school year preceding the date  
41 the disorganization and attachment was completed; (D) determine the  
42 assessed valuation of the territory attached to each enlarged school district;  
43 (E) allocate the amount of the total foundation aid received by the former

1 school district in the school year preceding the date the disorganization  
2 and attachment was completed to each of the enlarged school districts in  
3 the same proportion the assessed valuation of the territory attached to each  
4 school district bears to the assessed valuation of the former school district;  
5 and (F) add the amounts determined under subparagraphs (B) and (E). The  
6 sum is the total foundation aid of the enlarged school district for the school  
7 year in which the attachment is completed.

8 New Sec. 14. (a) The board of education of each school district shall  
9 levy an ad valorem tax upon the taxable tangible property of the school  
10 district in the school years specified in subsection (b) for the purpose of:

11 (1) Financing that portion of the school district's general fund budget  
12 that is not financed from any other source provided by law;

13 (2) paying a portion of the costs of operating and maintaining public  
14 schools in partial fulfillment of the constitutional obligation of the  
15 legislature to finance the educational interests of the state; and

16 (3) with respect to any redevelopment school district established prior  
17 to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto,  
18 paying a portion of the principal and interest on bonds issued by cities  
19 under authority of K.S.A. 12-1774, and amendments thereto, for the  
20 financing of redevelopment projects upon property located within the  
21 school district.

22 (b) The tax required under subsection (a) shall be levied at a rate of  
23 20 mills in the school years 2017-2018 and 2018-2019.

24 (c) The proceeds from the tax levied by a district under authority of  
25 this section, except the proceeds of such tax levied for the purpose  
26 described in subsection (a)(3), shall be remitted to the state treasurer in  
27 accordance with the provisions of K.S.A. 75-4215, and amendments  
28 thereto. Upon receipt of each such remittance, the state treasurer shall  
29 deposit the entire amount in the state treasury to the credit of the state  
30 school district finance fund.

31 (d) No school district shall proceed under K.S.A. 79-1964, 79-1964a  
32 or 79-1964b, and amendments thereto.

33 New Sec. 15. (a) In each school year, the board of education of a  
34 school district may adopt, by resolution, a local foundation budget that  
35 does not exceed the state prescribed percentage.

36 (b) Subject to the limitations of subsection (a), in each school year,  
37 the board of education of a school district may adopt, by resolution, a local  
38 foundation budget in an amount that does not exceed:

39 (1) The amount that the board was authorized to adopt under any  
40 resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its  
41 expiration; or

42 (2) the state-wide average for the preceding school year as  
43 determined by the state board pursuant to subsection (i).

1 The adoption of a resolution pursuant to this section shall require a  
2 majority vote of the members of the board. Such resolution shall be  
3 effective upon adoption and shall require no other procedure, authorization  
4 or approval.

5 (c) If the board of a school district desires to increase its local  
6 foundation budget authority above the amount authorized under subsection  
7 (b), the board may adopt, by resolution, such budget in an amount not to  
8 exceed the state prescribed percentage. The adoption of a resolution  
9 pursuant to this subsection shall require a majority vote of the members of  
10 the board. The resolution shall be published at least once in a newspaper  
11 having general circulation in the school district. The resolution shall be  
12 published in substantial compliance with the following form:

13 Unified School District No. \_\_\_\_\_,  
14 \_\_\_\_\_ County, Kansas.

15 RESOLUTION

16 Be It Resolved that:

17 The board of education of the above-named school district shall be  
18 authorized to adopt a local foundation budget in each school year in an  
19 amount not to exceed \_\_\_\_% of the amount of total foundation aid. The  
20 local foundation budget authorized by this resolution may be adopted,  
21 unless a petition in opposition to the same, signed by not less than 5% of  
22 the qualified electors of the school district, is filed with the county election  
23 officer of the home county of the school district within 30 days after  
24 publication of this resolution. If a petition is filed, the county election  
25 officer shall submit the question of whether adoption of the local  
26 foundation budget shall be authorized to the electors of the school district  
27 at an election called for the purpose or at the next general election, as is  
28 specified by the board of education of the school district.

29 CERTIFICATE

30 This is to certify that the above resolution was duly adopted by the  
31 board of education of unified school district No. \_\_\_\_\_, \_\_\_\_\_ County,  
32 Kansas, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

33 \_\_\_\_\_  
34 Clerk of the board of education.

35 All of the blanks in the resolution shall be filled appropriately. If a  
36 sufficient petition is not filed, the board may adopt a local foundation  
37 budget. If a sufficient petition is filed, the board may notify the county  
38 election officer of the date of an election to be held to submit the question  
39 of whether adoption of a local foundation budget shall be authorized. Any  
40 such election shall be noticed, called and held in the manner provided by  
41 K.S.A. 10-120, and amendments thereto. If the board fails to notify the  
42 county election officer within 30 days after a sufficient petition is filed, the  
43 resolution shall be deemed abandoned and no like resolution shall be

1 adopted by the board within the nine months following publication of the  
2 resolution.

3 (d) Unless specifically stated otherwise in the resolution, the authority  
4 to adopt a local foundation budget shall be continuous and permanent. The  
5 board of any school district that is authorized to adopt a local foundation  
6 budget may choose not to adopt such a budget or may adopt a budget in an  
7 amount less than the amount authorized. If the board of any school district  
8 whose authority to adopt a local foundation budget is not continuous and  
9 permanent refrains from adopting a local foundation budget, the authority  
10 of such school district to adopt a local foundation budget shall not be  
11 extended by such refrainment beyond the period specified in the resolution  
12 authorizing adoption of such budget.

13 (e) The board of any school district may initiate procedures to renew  
14 or increase the authority to adopt a local foundation budget at any time  
15 during a school year after the tax levied pursuant to section 19, and  
16 amendments thereto, is certified to the county clerk under any existing  
17 authorization.

18 (f) The board of any school district authorized to adopt a local  
19 foundation budget prior to July 1, 2017, under a resolution that authorized  
20 the adoption of such budget in accordance with the provisions of K.S.A.  
21 2016 Supp. 72-6471, prior to its expiration, may continue to operate under  
22 such resolution for the period of time specified in the resolution or may  
23 abandon the resolution and operate under the provisions of this section.  
24 Any such school district shall operate under the provisions of this section  
25 after the period of time specified in any previously adopted resolution has  
26 expired.

27 (g) Any resolution adopted pursuant to this section may revoke or  
28 repeal any resolution previously adopted by the board. If the resolution  
29 does not revoke or repeal previously adopted resolutions, all resolutions  
30 that are in effect shall expire on the same date. The maximum amount of  
31 the local foundation budget of a school district under all resolutions in  
32 effect shall not exceed the state prescribed percentage in any school year.

33 (h) (1) There is hereby established in each school district that adopts a  
34 local foundation budget a supplemental general fund, which shall consist  
35 of all amounts deposited therein or credited thereto according to law.

36 (2) Subject to the limitations imposed under subsection (h)(3),  
37 amounts in the supplemental general fund may be expended for any  
38 purpose for which expenditures from the general fund are authorized or  
39 may be transferred to any categorical fund of the school district. Amounts  
40 in the supplemental general fund attributable to any percentage over 25%  
41 of total foundation aid determined for the current school year may be  
42 transferred to the capital improvements fund of the school district and the  
43 capital outlay fund of the school district if such transfers are specified in

1 the resolution authorizing the adoption of a local foundation budget in  
2 excess of 25%.

3 (3) Amounts in the supplemental general fund may not be expended  
4 for the purpose of making payments under any lease-purchase agreement  
5 involving the acquisition of land or buildings that is entered into pursuant  
6 to the provisions of K.S.A. 72-8225, and amendments thereto.

7 (4) (A) Except as provided in subsection (h)(4)(B), any unexpended  
8 moneys remaining in the supplemental general fund of a school district at  
9 the conclusion of any school year in which a local foundation budget is  
10 adopted shall be maintained in such fund.

11 (B) If the school district received supplemental state aid in the school  
12 year, the state board shall determine the ratio of the amount of  
13 supplemental general state aid received to the amount of the local  
14 foundation budget of the school district for the school year and multiply  
15 the total amount of the unexpended moneys remaining by such ratio. An  
16 amount equal to the amount of the product shall be transferred to the  
17 general fund of the school district or remitted to the state treasurer in  
18 accordance with the provisions of K.S.A. 75-4215, and amendments  
19 thereto. Upon receipt of any such remittance, the state treasurer shall  
20 deposit the same in the state treasury to the credit of the state school  
21 district finance fund.

22 (i) Each year, the state board shall determine the statewide average  
23 percentage of local foundation budgets legally adopted by school districts  
24 for the preceding school year.

25 (j) The provisions of this section shall be subject to the provisions of  
26 section 16, and amendments thereto.

27 (k) As used in this section:

28 (1) "Authorized to adopt a local foundation budget" means that a  
29 school district has adopted a resolution pursuant to subsection (c).

30 (2) "State prescribed percentage" means 33% of the total foundation  
31 aid of the school district in the current school year.

32 (3) "Total foundation aid" shall have the meaning provided in section  
33 4, and amendments thereto.

34 New Sec. 16. (a) (1) The provisions of this subsection shall apply in  
35 any school year in which the amount of BASE aid is \$4,490 or less.

36 (2) The board of education of a school district may adopt a local  
37 foundation budget that does not exceed the local foundation budget  
38 calculated as if the BASE aid was \$4,490, or that does not exceed the local  
39 foundation budget as calculated pursuant to section 15, and amendments  
40 thereto, whichever is greater.

41 (b) The board of education of a school district may adopt a local  
42 foundation budget that does not exceed the local foundation budget  
43 calculated as if the school district received state aid for special education



1 and related services equal to the amount of state aid for special education  
2 and related services received in school year 2008-2009, or that does not  
3 exceed the local foundation budget as calculated pursuant to section 15,  
4 and amendments thereto, whichever is greater.

5 (c) The board of any school district may exercise the authority  
6 granted under subsection (a) or (b) or both subsections (a) and (b).

7 (d) To the extent that the provisions of section 15, and amendments  
8 thereto, conflict with this section, this section shall control.

9 New Sec. 17. (a) In each school year, each school district that has  
10 adopted a local foundation budget is eligible to receive supplemental state  
11 aid. Except as provided by section 18, and amendments thereto,  
12 supplemental state aid shall be determined by the state board as provided  
13 in subsection (b).

14 (b) The state board shall:

15 (1) (A) For school year 2017-2018, determine the amount of the  
16 assessed valuation per student in the preceding school year of each school  
17 district; and

18 (B) for school year 2018-2019 and each school year thereafter,  
19 determine the average assessed valuation per student of each school  
20 district by adding the assessed valuation per student for each of the three  
21 immediately preceding school years and dividing the resulting sum by  
22 three;

23 (2) rank the school districts from low to high on the basis of the  
24 amounts of assessed valuation per student determined under subsection (b)  
25 (1);

26 (3) identify the amount of the assessed valuation per student located  
27 at the 81.2 percentile of the amounts ranked under subsection (b)(2);

28 (4) divide the assessed valuation per student of the school district as  
29 determined under subsection (b)(1) by the amount identified under  
30 subsection (b)(3); and

31 (5) (A) if the quotient obtained under subsection (b)(4) equals or  
32 exceeds one, the school district shall not receive supplemental state aid; or

33 (B) if the quotient obtained under subsection (b)(4) is less than one,  
34 subtract the quotient obtained under subsection (b)(4) from one, and  
35 multiply the difference by the amount of the local foundation budget of the  
36 school district for the immediately preceding school year. The resulting  
37 product is the amount of supplemental state aid the school district is to  
38 receive for the school year.

39 (c) Payments of supplemental state aid shall be distributed to school  
40 districts on the dates prescribed by the state board. The state board shall  
41 certify to the director of accounts and reports the amount due each school  
42 district, and the director of accounts and reports shall draw a warrant on  
43 the state treasurer payable to the treasurer of the school district. Upon

1 receipt of the warrant, the treasurer of the school district shall credit the  
2 amount thereof to the supplemental general fund of the school district to  
3 be used for the purposes of such fund.

4 (d) For the purposes of determining the total amount of state moneys  
5 paid to school districts, all moneys appropriated as supplemental state aid  
6 shall be deemed to be state moneys for educational and support services  
7 for school districts.

8 New Sec. 18. (a) (1) For the purposes of determining the amount of  
9 supplemental state aid, the state board shall determine the ranking of each  
10 of the former school districts of which the school district is composed as  
11 required by section 17(b)(2), and amendments thereto, for the school year  
12 prior to the effectuation of the consolidation or attachment.

13 (2) For the school year in which the consolidation or attachment is  
14 effectuated and the next succeeding two school years, the ranking of the  
15 school district for the purposes of section 17(b)(2), and amendments  
16 thereto, shall be the ranking of the school district receiving the highest  
17 amount of supplemental state aid determined under subsection (a)(1).

18 (b) The provisions of this section shall apply to school districts that  
19 have consolidated or disorganized on and after July 1, 2004.

20 (c) As used in this section, "school district" means:

21 (1) Any school district formed by consolidation in accordance with  
22 article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments  
23 thereto; or

24 (2) any school district formed by disorganization and attachment in  
25 accordance with article 73 of chapter 72 of the Kansas Statutes Annotated,  
26 and amendments thereto, if all the territory which comprised a  
27 disorganized school district is attached to a single school district.

28 New Sec. 19. (a) In each school year, the board of each school district  
29 that has adopted a local foundation budget may levy an ad valorem tax on  
30 the taxable tangible property of the school district for the purposes of:

31 (1) Financing that portion of the school district's local foundation  
32 budget that is not financed from any other source provided by law;

33 (2) paying a portion of the principal and interest on bonds issued by  
34 cities under authority of K.S.A. 12-1774, and amendments thereto, for the  
35 financing of redevelopment projects upon property located within the  
36 school district; and

37 (3) funding transfers to the capital improvement fund of the school  
38 district and the capital outlay fund of the school district if such transfers  
39 are specified in the resolution authorizing the adoption of a local  
40 foundation budget in excess of 25% of the total foundation aid determined  
41 for the current school year.

42 (b) The proceeds from the tax levied by a school district under  
43 authority of this section, except the proceeds of such tax levied for the

1 purpose of paying a portion of the principal and interest on bonds issued  
2 by cities under authority of K.S.A. 12-1774, and amendments thereto, for  
3 the financing of redevelopment projects upon property located within the  
4 school district, shall be deposited in the supplemental general fund of the  
5 school district.

6 (c) No school district shall proceed under K.S.A. 79-1964, 79-1964a  
7 or 79-1964b, and amendments thereto.

8 New Sec. 20. (a) In each school year, the board of education of a  
9 school district may adopt, by resolution, a local excellence budget that  
10 does not exceed such school district's local excellence authority, as  
11 determined under subsection (f).

12 (b) A resolution adopting a local excellence budget shall require a  
13 majority vote of the members of the board, and shall be effective upon  
14 adoption and shall require no other procedure, authorization or approval. A  
15 resolution to adopt a local excellence budget shall be published at least  
16 once in a newspaper having general circulation in the school district. The  
17 resolution shall be published in substantial compliance with the following  
18 form:

19 Unified School District No. \_\_\_\_\_,  
20 \_\_\_\_\_ County, Kansas.

21 RESOLUTION

22 Be It Resolved that:

23 The board of education of the above-named school district shall be  
24 authorized to adopt a local excellence budget in each school year in an  
25 amount not to exceed \$ \_\_\_\_\_. The local excellence budget authorized  
26 by this resolution may be adopted, unless a petition in opposition to the  
27 same, signed by not less than 5% of the qualified electors of the school  
28 district, is filed with the county election officer of the home county of the  
29 school district within 30 days after publication of this resolution. If a  
30 petition is filed, the county election officer shall submit the question of  
31 whether adoption of the local excellence budget shall be authorized to the  
32 electors of the school district at an election called for the purpose or at the  
33 next general election, as is specified by the board of education of the  
34 school district.

35 CERTIFICATE

36 This is to certify that the above resolution was duly adopted by the  
37 board of education of unified School District No. \_\_\_\_\_, \_\_\_\_\_ County,  
38 Kansas, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

39 \_\_\_\_\_  
40 Clerk of the board of education.

41 All of the blanks in the resolution shall be filled as is appropriate. If a  
42 sufficient petition is not filed, the board may adopt a local excellence  
43 budget. If a sufficient petition is filed, the board may notify the county

1 election officer of the date of an election to be held to submit the question  
2 of whether adoption of a local excellence budget shall be authorized. Any  
3 such election shall be noticed, called and held in the manner provided by  
4 K.S.A. 10-120, and amendments thereto. If the board fails to notify the  
5 county election officer within 30 days after a sufficient petition is filed, the  
6 resolution shall be deemed abandoned and no like resolution shall be  
7 adopted by the board within the nine months following publication of the  
8 resolution.

9 (c) Unless specifically stated otherwise in the resolution, the authority  
10 to adopt a local excellence budget shall be continuous and permanent. The  
11 board of education may choose not to adopt such a local excellence budget  
12 or may adopt a local excellence budget in an amount less than the amount  
13 authorized. If the board, whose authority to adopt a local excellence  
14 budget is not continuous and permanent, refrains from adopting a local  
15 excellence budget, the authority of such board to adopt a local excellence  
16 budget shall not be extended by such refrainment beyond the period  
17 specified in the resolution authorizing adoption of such local excellence  
18 budget.

19 (d) The board of education may initiate procedures to renew or  
20 increase the authority to adopt a local excellence budget at any time during  
21 a school year after the tax levied pursuant to section 21, and amendments  
22 thereto, is certified to the county clerk under any existing authorization.

23 (e) Any resolution adopted pursuant to this section may revoke or  
24 repeal any resolution previously adopted by the board. If the resolution  
25 does not revoke or repeal previously adopted resolutions, all resolutions  
26 which are in effect shall expire on the same date. The maximum amount of  
27 the local excellence budget of a school district under all resolutions in  
28 effect shall not exceed the limitation set forth in subsection (a) in any  
29 school year.

30 (f) The local excellence authority for a school district shall be  
31 determined as follows:

32 (1) Subtract the full-time equivalent enrollment of at-risk students in  
33 the school district from the enrollment of the school district;

34 (2) multiply the difference determined under subsection (f)(1) by  
35 0.456 and further multiply the resulting product by 133% of the BASE aid;

36 (3) multiply the enrollment of the school district by 33% of the BASE  
37 aid amount used to determine the school district's local foundation budget  
38 authority for the current school year; and

39 (4) subtract the product determined under subsection (f)(3) from the  
40 product determined under subsection (f)(2). The resulting difference is the  
41 local excellence authority for the school district for the current school year,  
42 except in no event shall the local excellence authority exceed an amount  
43 equal to 5% of the general fund budget of the school district.

1 New Sec. 21. (a) The board of education of each school district that  
2 has adopted a local excellence budget pursuant to section 20, and  
3 amendments thereto, may levy an ad valorem tax on the taxable tangible  
4 property of the school district for the purposes of:

5 (1) Financing that portion of the school district's local excellence  
6 budget that is not financed from any other source provided by law; and

7 (2) paying a portion of the principal and interest on bonds issued by  
8 cities under authority of K.S.A. 12-1774, and amendments thereto, for the  
9 financing of redevelopment projects upon property located within the  
10 school district.

11 (b) The proceeds from the tax levied by a school district under  
12 authority of this section, except the proceeds of such tax levied for the  
13 purpose described in subsection (a)(2), shall be deposited in the general  
14 fund of the school district.

15 (c) No school district shall proceed under K.S.A. 79-1964, 79-1964a  
16 or 79-1964b, and amendments thereto.

17 New Sec. 22. (a) Each school district that levies a tax pursuant to  
18 section 21, and amendments thereto, shall receive local excellence state  
19 aid in an amount determined by the state board of education as follows:

20 (1) Determine the amount of the assessed valuation per student of  
21 each school district in the state for the preceding school year;

22 (2) determine the average appraised value of single family residences  
23 for the preceding calendar year for each school district;

24 (3) multiply the amounts determined under subsections (a)(1) and (a)  
25 (2) for each school district;

26 (4) calculate the square root of the product calculated under  
27 subsection (a)(3) for each school district;

28 (5) round the amount determined under subsection (a)(4) to the  
29 nearest \$1,000. The rounded amount is the excellence equalization base of  
30 a school district for the purposes of this subsection;

31 (6) determine the median excellence equalization base of all school  
32 districts;

33 (7) prepare a schedule of dollar amounts using the amount of the  
34 median excellence equalization base of all school districts as the point of  
35 beginning. The schedule of dollar amounts shall range upward in equal  
36 \$1,000 intervals from the point of beginning to and including an amount  
37 that is equal to the amount of the excellence equalization base of the  
38 school district with the highest excellence equalization base of all school  
39 districts and shall range downward in equal \$1,000 intervals from the point  
40 of beginning to and including an amount that is equal to the amount of the  
41 excellence equalization base of the school district with the lowest  
42 excellence equalization base of all school districts;

43 (8) determine a state aid percentage factor for each school district by

1 assigning a state aid computation percentage to the amount of the median  
2 excellence equalization base shown on the schedule, decreasing the state  
3 aid computation percentage assigned to the amount of the median  
4 excellence equalization base by one percentage point for each \$1,000  
5 interval above the amount of the median excellence equalization base, and  
6 increasing the state aid computation percentage assigned to the amount of  
7 the median excellence equalization base by one percentage point for each  
8 \$1,000 interval below the amount of the median excellence equalization  
9 base. The state aid percentage factor of a school district is the percentage  
10 assigned to the schedule amount that is equal to the amount of the  
11 excellence equalization base of the school district, except that the state aid  
12 percentage factor of a school district shall not exceed 100%. The state aid  
13 computation percentage is 25%;

14 (9) determine the amount levied by each school district pursuant to  
15 section 21, and amendments thereto; and

16 (10) multiply the amount computed under subsection (a)(9) by the  
17 applicable state aid percentage factor. The resulting product is the amount  
18 of local excellence state aid the school district is to receive for the school  
19 year.

20 (b) Payments of local excellence state aid shall be made to school  
21 districts at times determined by the state board of education. The state  
22 board of education shall certify to the director of accounts and reports the  
23 amount due each school district, and the director of accounts and reports  
24 shall draw a warrant on the state treasury payable to the treasurer of the  
25 school district. Upon receipt of the warrant, the treasurer of the school  
26 district shall credit the amount thereof to the general fund of the school  
27 district to be used for the purposes of such fund.

28 New Sec. 23. The legislature hereby declares that the intent of  
29 sections 20 through 22, and amendments thereto, is to provide moneys for  
30 educational opportunities beyond what is necessary to satisfy the  
31 educational goal set forth in K.S.A. 2016 Supp. 72-1127(c), and  
32 amendments thereto. All moneys deposited in or otherwise credited to the  
33 general fund of a school district pursuant to sections 21 and 22, and  
34 amendments thereto, shall be expended by a school district solely for the  
35 provision of educational opportunities that exceed the curriculum  
36 standards established by the state board pursuant to section 45, and  
37 amendments thereto.

38 New Sec. 24. (a) The transportation weighting of each school district  
39 shall be determined by the state board as follows:

40 (1) Determine the total expenditures of the school district during the  
41 preceding school year from all funds for transporting students of public  
42 and nonpublic schools on regular school routes;

43 (2) determine the sum of: (A) The number of students who were

1 included in the enrollment of the school district in the preceding school  
2 year who resided less than  $2\frac{1}{2}$  miles by the usually traveled road from the  
3 school building such students attended and for whom transportation was  
4 made available by the school district; and (B) the number of nonresident  
5 students who were included in the enrollment of the school district for the  
6 preceding school year and for whom transportation was made available by  
7 the school district;

8 (3) determine the number of students who were included in the  
9 enrollment of the district in the preceding school year who resided  $2\frac{1}{2}$   
10 miles or more by the usually traveled road from the school building such  
11 students attended and for whom transportation was made available by the  
12 school district;

13 (4) multiply the number of students determined under subsection (a)  
14 (3) by 2.8;

15 (5) divide the amount determined under subsection (a)(2) by the  
16 product obtained under subsection (a)(4);

17 (6) add one to the quotient obtained under subsection (a)(5);

18 (7) multiply the sum obtained under subsection (a)(6) by the amount  
19 determined under subsection (a)(3);

20 (8) divide the amount determined under subsection (a)(1) by the  
21 product obtained under subsection (a)(7). The resulting quotient is the per-  
22 student cost of transportation;

23 (9) on a density-cost graph, plot the per-student cost of transportation  
24 for each school district;

25 (10) construct a curve of best fit for the points so plotted;

26 (11) locate the index of density for the school district on the base line  
27 of the density-cost graph and from the point on the curve of best fit  
28 directly above this point of index of density follow a line parallel to the  
29 base line to the point of intersection with the vertical line, which point is  
30 the formula per-student cost of transportation of the school district;

31 (12) divide the formula per-student cost of transportation of the  
32 school district by the BASE aid; and

33 (13) multiply the quotient obtained under subsection (a)(12) by the  
34 number of students who are included in the enrollment of the school  
35 district, are residing  $2\frac{1}{2}$  miles or more by the usually traveled road to the  
36 school building they attend, and for whom transportation is being made  
37 available by, and at the expense of, the district.

38 (b) (1) For school years 2017-2018 through 2021-2022, the  
39 transportation weighting of the school district shall be either the product  
40 determined under subsection (a)(13), or that portion of such school  
41 district's general state aid for school year 2016-2017 that was attributable  
42 to the school district's transportation weighting, whichever is greater.

43 (2) For school year 2022-2023, and each school year thereafter, the

1 transportation weighting of the school district shall be the product  
2 determined under subsection (a)(13).

3 (c) For the purpose of providing accurate and reliable data on student  
4 transportation, the state board is authorized to adopt rules and regulations  
5 prescribing procedures that school districts shall follow in reporting  
6 pertinent information, including uniform reporting of expenditures for  
7 transportation.

8 (d) As used in this section:

9 (1) "Curve of best fit" means the curve on a density-cost graph drawn  
10 so the sum of the distances squared from such line to each of the points  
11 plotted on the graph is the least possible.

12 (2) "Density-cost graph" means a drawing having: (A) A horizontal or  
13 base line divided into equal intervals of density, beginning with zero on the  
14 left; and (B) a scale for per-student cost of transportation to be shown on a  
15 line perpendicular to the base line at the left end thereof, such scale to  
16 begin with zero dollars at the base line ascending by equal per-student cost  
17 intervals.

18 (3) "Index of density" means the number of students who are  
19 included in the enrollment of a school district in the current school year,  
20 are residing the designated distance or more by the usually traveled road  
21 from the school building they attend, and for whom transportation is being  
22 made available on regular school routes by the school district, divided by  
23 the number of square miles of territory in the school district.

24 New Sec. 25. The enrollment weighting of each school district shall  
25 be determined by the state board as follows:

26 (a) For school districts with an enrollment of fewer than 100 students,  
27 multiply the enrollment of the school district by 1.014331. The resulting  
28 product is the enrollment weighting of the school district;

29 (b) for school districts with an enrollment of at least 100 students, but  
30 fewer than 300 students:

31 (1) Subtract 100 from the enrollment of the school district;

32 (2) multiply the difference obtained under subsection (b)(1) by 9.655;

33 (3) subtract the product obtained under subsection (b)(2) from 7,337;

34 (4) divide the difference obtained under subsection (b)(3) by 3,642.4;

35 (5) subtract one from the quotient obtained under subsection (b)(4);

36 and

37 (6) multiply the difference obtained under subsection (b)(5) by the  
38 enrollment of the school district. The resulting product is the enrollment  
39 weighting of the school district;

40 (c) for school districts with an enrollment of at least 300 students, but  
41 fewer than 1,622 students:

42 (1) Subtract 300 from the enrollment of the school district;

43 (2) multiply the difference obtained under subsection (c)(1) by



1 1.2375;

2 (3) subtract the product obtained under subsection (c)(2) from 5,406;

3 (4) divide the difference obtained under subsection (c)(3) by 3,642.4;

4 (5) subtract one from the quotient obtained under subsection (c)(4);

5 and

6 (6) multiply the difference obtained under subsection (c)(5) by the  
7 enrollment of the school district. The resulting product is the enrollment  
8 weighting of the school district; and

9 (d) For school districts with an enrollment of at least 1,622 students,  
10 multiply the enrollment of the school district by 0.03504. The resulting  
11 product is the enrollment weighting of the school district.

12 New Sec. 26. The bilingual weighting of each school district shall be  
13 determined by the state board as follows:

14 (a) Determine the full-time equivalent enrollment in approved  
15 programs of bilingual education during the preceding school year and  
16 multiply such enrollment by 0.361;

17 (b) determine the number of students enrolled in approved programs  
18 of bilingual education during the preceding school year and multiply such  
19 enrollment by 0.185; and

20 (c) the bilingual weighting shall be either the amount determined  
21 under subsection (a) or (b), whichever is greater.

22 New Sec. 27. (a) The at-risk student weighting of each school district  
23 shall be determined by the state board as follows:

24 (1) Determine the number of at-risk students included in the  
25 enrollment of the school district; and

26 (2) for a school district with an enrollment that consists of 10% or  
27 more at-risk students, multiply the number determined under subsection  
28 (a)(1) by 0.484. The resulting sum is the at-risk student weighting of the  
29 school district; or

30 (3) for a school district with an enrollment that consists of less than  
31 10% at-risk students, multiply the number of students equal to 10% of  
32 such school district's enrollment by 0.456. The resulting sum is the at-risk  
33 student weighting of the school district. A school district whose at-risk  
34 student weighting is determined pursuant to this paragraph shall submit a  
35 report to the state board in such form and manner as required by the state  
36 board that identifies those students enrolled in such school district who are  
37 receiving at-risk program services and the criteria each such student  
38 satisfies in order to receive at-risk program services. The state board shall  
39 adopt rules and regulations that establish the criteria for eligibility for at-  
40 risk program services. The provisions of this paragraph shall only apply to  
41 those school districts that offer instruction in kindergarten and grades one  
42 through 12.

43 (b) The high-density at-risk student weighting of each school district

1 shall be determined by the state board as follows:

2 (1) If the enrollment of the school district is at least 35% at-risk  
3 students, but less than 50% at-risk students:

4 (A) Subtract 35% from the percentage of at-risk students included in  
5 the enrollment of the school district;

6 (B) multiply the difference determined under subsection (b)(1)(A) by  
7 0.7; and

8 (C) multiply the product determined under subsection (b)(1)(B) by  
9 the number of at-risk students included in the enrollment of the school  
10 district. The resulting product is the high-density at-risk student weighting  
11 of the school district; or

12 (2) if the enrollment of the school district is 50% or more at-risk  
13 students, multiply the number of at-risk students included in the  
14 enrollment of the school district by 0.105. The resulting product is the  
15 high-density at-risk student weighting of the school district.

16 New Sec. 28. (a) If a student submits an application for free meals  
17 under the national school lunch act on or before the date on which the  
18 enrollment of the school district is calculated and it is later determined by  
19 the school district or the department of education that the student should  
20 not have been eligible for free meals, the school district or the department  
21 shall notify the state board of such determination. Except as provided in  
22 subsection (b), upon receipt of such notice, the state board shall recompute  
23 the adjusted enrollment of the school district and the general fund budget  
24 of the school district based on the adjusted enrollment of the school district  
25 excluding the at-risk student weighting and high density at-risk student  
26 weighting, if any, assigned to such student.

27 (b) If a student becomes ineligible to receive free meals under the  
28 national school lunch act for failure to submit, in a timely manner, any  
29 documentation necessary for verification of eligibility as required by the  
30 national school lunch act, but subsequently submits such documentation,  
31 such student shall not be excluded from the calculation of the adjusted  
32 enrollment of the school district if the school district forwards a copy of  
33 such documentation to the state board no later than January 14 of the  
34 school year.

35 New Sec. 29. (a) There is hereby established in every school district  
36 an at-risk education fund, which shall consist of all moneys deposited  
37 therein or transferred thereto according to law. The expenses of a school  
38 district directly attributable to providing at-risk student assistance or  
39 programs shall be paid from the at-risk education fund.

40 (b) Any balance remaining in the at-risk education fund at the end of  
41 the budget year shall be carried forward into the at-risk education fund for  
42 succeeding budget years. Such fund shall not be subject to the provisions  
43 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing

1 the budget of such school district, the amounts credited to and the amount  
2 on hand in the at-risk education fund, and the amount expended therefrom  
3 shall be included in the annual budget for the information of the residents  
4 of the school district. Interest earned on the investment of moneys in any  
5 such fund shall be credited to that fund.

6 (c) Expenditures from the at-risk education fund of a school district  
7 shall only be made for the following purposes:

8 (1) At-risk educational programs approved by the state board;

9 (2) personnel providing educational services in conjunction with such  
10 programs;

11 (3) services contracted for by the school district to provide at-risk  
12 educational programs; or

13 (4) assistance or programs provided for at-risk students who are  
14 identified as at-risk pursuant to policies and procedures adopted by the  
15 state board.

16 (d) Each year the board of education of each school district shall  
17 prepare and submit to the state board a report on the at-risk student  
18 assistance or programs provided by the school district. Such report shall  
19 include the number of at-risk students who were served or provided  
20 assistance, the type of service provided, the research upon which the  
21 school district relied in determining that a need for service or assistance  
22 existed, the results of providing such service or assistance and any other  
23 information required by the state board.

24 (e) In order to achieve uniform reporting of the number of students  
25 provided service or assistance by school districts in at-risk student  
26 programs, school districts shall report the number of students served or  
27 assisted in the manner required by the state board.

28 New Sec. 30. (a) There is hereby established in every school district a  
29 preschool-aged at-risk education fund, which shall consist of all moneys  
30 deposited therein or transferred thereto according to law. The expenses of a  
31 school district directly attributable to providing preschool-aged at-risk  
32 assistance or programs shall be paid from the preschool-aged at-risk  
33 education fund.

34 (b) Any balance remaining in the preschool-aged at-risk education  
35 fund at the end of the budget year shall be carried forward into the  
36 preschool-aged at-risk education fund for succeeding budget years. Such  
37 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-  
38 2937, and amendments thereto. In preparing the budget of such school  
39 district, the amounts credited to and the amount on hand in the preschool-  
40 aged at-risk education fund, and the amount expended therefrom shall be  
41 included in the annual budget for the information of the residents of the  
42 school district. Interest earned on the investment of moneys in any such  
43 fund shall be credited to that fund.

1 (c) Each year the board of each school district shall prepare and  
2 submit to the state board a report on the preschool-aged at-risk student  
3 assistance or programs provided by the school district. Such report shall  
4 include the number of students who were served or provided assistance,  
5 the type of service provided, the research upon which the school district  
6 relied in determining that a need for service or assistance existed, the  
7 results of providing such service or assistance and any other information  
8 required by the state board.

9 New Sec. 31. (a) The career technical education weighting of each  
10 school district shall be determined by the state board by multiplying the  
11 full-time equivalent enrollment in approved career technical education  
12 programs during the preceding school year by 0.5. The resulting product is  
13 the career technical education weighting of the school district.

14 (b) The provisions of this section shall expire on July 1, 2018.

15 New Sec. 32. (a) For each school year in which the school facilities  
16 weighting may be assigned to the enrollment of the school district, such  
17 weighting of such school district shall be determined by the state board as  
18 follows:

19 (1) Determine the number of students included in the enrollment of  
20 the school district who are attending a new school facility;

21 (2) multiply the number of students determined under subsection (a)  
22 (1) by 0.25. The resulting product is the school facilities weighting of the  
23 school district.

24 (b) The school facilities weighting may be assigned to the enrollment  
25 of a school district only if:

26 (1) The school district adopted a local foundation budget for school  
27 year 2014-2015 in an amount equal to at least 25% of the amount of the  
28 state financial aid determined for the school district in such school year  
29 pursuant to K.S.A. 72-6433, prior to its repeal;

30 (2) the contractual bond obligations incurred by the school district  
31 were approved by the electors of the school district at an election held on  
32 or before July 1, 2015; and

33 (3) (A) the school district commences operation of a new school  
34 facility and the construction of such facility was financed primarily with  
35 such contractual bond obligations; or

36 (B) the school district commences operation of a new school facility  
37 and the construction of such facility was financed primarily with federal  
38 funds and such facility is located on a military reservation.

39 (c) The school facilities weighting may be assigned to the enrollment  
40 of the school district only in the school year in which operation of a new  
41 school facility is commenced and in the next succeeding school year.

42 New Sec. 33. The special education and related services weighting of  
43 each school district shall be determined by the state board as follows:

1 (a) Add the amount of payments received by the school district under  
2 the provisions of K.S.A. 72-979, and amendments thereto, to the amount  
3 of any grants received by the school district under the provisions of K.S.A.  
4 72-983, and amendments thereto; and

5 (2) divide the sum obtained under subsection (a) by the BASE aid.  
6 The resulting quotient is the special education and related services  
7 weighting of the school district.

8 New Sec. 34. (a) (1) The board of education of a school district to  
9 which the provisions of this section apply may levy an ad valorem tax on  
10 the taxable tangible property of the school district each year for a period of  
11 time not to exceed two years in an amount not to exceed the amount  
12 authorized by the state board of tax appeals under this subsection for the  
13 purpose of financing the costs incurred by the state that are directly  
14 attributable to assignment of ancillary school facilities weighting to the  
15 enrollment of the school district. The state board of tax appeals may  
16 authorize the school district to make a levy that will produce an amount  
17 that is not greater than the difference between the amount of costs directly  
18 attributable to commencing operation of one or more new school facilities  
19 and the amount that is financed from any other source provided by law for  
20 such purpose. If the school district is not eligible, or will be ineligible, for  
21 ancillary school facilities weighting in any one or more years during the  
22 two-year period for which the school district is authorized to levy a tax  
23 under this subsection, the state board of tax appeals may authorize the  
24 school district to make a levy, in such year or years of ineligibility, that  
25 will produce an amount that is not greater than the actual amount of costs  
26 attributable to commencing operation of the facility or facilities.

27 (2) The state board of tax appeals shall certify to the state board the  
28 amount authorized to be produced by the levy of a tax under this  
29 subsection.

30 (3) The state board of tax appeals may adopt rules and regulations  
31 necessary to effectuate the provisions of this subsection, including rules  
32 and regulations relating to the evidence required in support of a school  
33 district's claim that the costs attributable to commencing operation of one  
34 or more new school facilities are in excess of the amount that is financed  
35 from any other source provided by law for such purpose.

36 (b) The board of education of a school district that has levied an ad  
37 valorem tax on the taxable tangible property of the school district each  
38 year for a period of two years under authority of subsection (a) may  
39 continue to levy such tax under authority of this subsection each year for  
40 an additional period of time not to exceed six years in an amount not to  
41 exceed the amount computed by the state board as provided in this  
42 subsection if the board of the school district determines that the costs  
43 attributable to commencing operation of one or more new school facilities

1 are significantly greater than the costs attributable to the operation of other  
2 school facilities in the school district. The tax authorized under this  
3 subsection may be levied at a rate that will produce an amount that is not  
4 greater than the amount computed by the state board as provided in this  
5 subsection. In computing such amount, the state board shall:

6 (1) Determine the amount produced by the tax levied by the school  
7 district under authority of subsection (a) in the second year for which such  
8 tax was levied and add to such amount the amount of state foundation aid  
9 directly attributable to ancillary school facilities weighting that was  
10 received by the school district in the same year;

11 (2) compute 90% of the amount of the sum obtained under subsection  
12 (b)(1), which computed amount is the amount the school district may levy  
13 in the first year of the six-year period for which the school district may  
14 levy a tax under authority of this subsection;

15 (3) compute 75% of the amount of the sum obtained under subsection  
16 (b)(1), which computed amount is the amount the school district may levy  
17 in the second year of the six-year period for which the school district may  
18 levy a tax under authority of this subsection;

19 (4) compute 60% of the amount of the sum obtained under subsection  
20 (b)(1), which computed amount is the amount the school district may levy  
21 in the third year of the six-year period for which the school district may  
22 levy a tax under authority of this subsection;

23 (5) compute 45% of the amount of the sum obtained under subsection  
24 (b)(1), which computed amount is the amount the school district may levy  
25 in the fourth year of the six-year period for which the school district may  
26 levy a tax under authority of this subsection;

27 (6) compute 30% of the amount of the sum obtained under subsection  
28 (b)(1), which computed amount is the amount the school district may levy  
29 in the fifth year of the six-year period for which the school district may  
30 levy a tax under authority of this subsection; and

31 (7) compute 15% of the amount of the sum obtained under subsection  
32 (b)(1), which computed amount is the amount the school district may levy  
33 in the sixth year of the six-year period for which the school district may  
34 levy a tax under authority of this subsection.

35 In determining the amount produced by the tax levied by the school  
36 district under authority of subsection (a), the state board shall include any  
37 moneys apportioned to the ancillary school facilities fund of the school  
38 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.  
39 and 79-5118 et seq., and amendments thereto.

40 (c) The proceeds from any tax levied by a school district under  
41 authority of this section shall be remitted to the state treasurer in  
42 accordance with the provisions of K.S.A. 75-4215, and amendments  
43 thereto. Upon receipt of each such remittance, the state treasurer shall

1 deposit the entire amount in the state treasury to the credit of the state  
2 school district finance fund.

3 (d) The ancillary school facilities weighting may be assigned to the  
4 enrollment of a school district only if the school district has levied a tax  
5 under the authority of subsection (a), and remitted the proceeds from such  
6 tax to the state treasurer. The ancillary school facilities weighting of each  
7 school district shall be determined in each school year in which such  
8 weighting may be assigned to the enrollment of the school district as  
9 follows:

10 (1) Add the amount to be produced by a tax levy as authorized under  
11 subsection (a) and certified to the state board by the state board of tax  
12 appeals to the amount computed under subsection (b) to be produced by a  
13 tax levy, if any; and

14 (2) divide the sum obtained under subsection (d)(1) by the BASE aid.  
15 The resulting quotient is the ancillary school facilities weighting of the  
16 school district.

17 (e) The provisions of this section apply to any school district that:

18 (1) Commenced operation of one or more new school facilities in the  
19 school year preceding the current school year or has commenced or will  
20 commence operation of one or more new school facilities in the current  
21 school year;

22 (2) adopted a local foundation budget; and

23 (3) is experiencing extraordinary enrollment growth as determined by  
24 the state board.

25 New Sec. 35. (a) (1) (A) The board of education of a school district  
26 may levy an ad valorem tax on the taxable tangible property of the school  
27 district each year for a period of time not to exceed two years, unless  
28 authority to make such levy is renewed by the state board of tax appeals, in  
29 an amount not to exceed the amount authorized by the state board of tax  
30 appeals under this section for the purpose of financing the costs incurred  
31 by the state that are directly attributable to assignment of declining  
32 enrollment weighting to the enrollment of the school district. The state  
33 board of tax appeals may authorize the school district to make a levy that  
34 will produce an amount that is not greater than the amount of revenues lost  
35 as a result of the declining enrollment of the school district. Such amount  
36 shall not exceed 5% of the general fund budget of the school district in the  
37 school year in which the school district applies to the state board of tax  
38 appeals for authority to make a levy pursuant to this subsection. The state  
39 board of tax appeals may renew the authority to make such levy for  
40 periods of time not to exceed two years.

41 (B) For school year 2017-2018, as an alternative to the authority  
42 provided in subsection (a)(1)(A), if a school district was authorized to  
43 make a levy pursuant to K.S.A. 72-6451, prior to its repeal, in school year

1 2006-2007, such school district shall remain authorized to make a levy at a  
2 rate necessary to generate revenue equal to  $\frac{1}{2}$  of the amount that was  
3 generated in school year 2007-2008.

4 (2) The state board of tax appeals shall certify to the state board the  
5 amount authorized to be produced by the levy of a tax under this section.

6 (3) The state board shall prescribe guidelines for the data that school  
7 districts shall include in cases before the state board of tax appeals  
8 pursuant to this section. The state board shall provide to the state board of  
9 tax appeals such school data and information requested by the state board  
10 of tax appeals and any other information deemed necessary by the state  
11 board.

12 (b) There is hereby established in every school district a declining  
13 enrollment fund, which shall consist of all moneys deposited therein or  
14 transferred thereto according to law. The proceeds from the tax levied by a  
15 school district under authority of this section shall be credited to the  
16 declining enrollment fund of the school district. The proceeds from the tax  
17 levied by a school district credited to the declining enrollment fund shall  
18 be remitted to the state treasurer in accordance with the provisions of  
19 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
20 remittance, the state treasurer shall deposit the entire amount in the state  
21 treasury to the credit of the state school district finance fund.

22 (c) In determining the amount produced by the tax levied by the  
23 school district under authority of this section, the state board shall include  
24 any moneys apportioned to the declining enrollment fund of the school  
25 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.  
26 and 79-5118 et seq., and amendments thereto.

27 (d) The declining enrollment weighting of a school district shall be  
28 determined by the state board in each school year in which such weighting  
29 may be assigned to the enrollment of the school district. The state board  
30 shall divide the amount certified under subsection (a)(2) by the BASE aid.  
31 The resulting quotient is the declining enrollment weighting of the school  
32 district.

33 (e) As used in this section:

34 (1) "Declining enrollment" means an enrollment that has declined in  
35 amount from that of the second preceding school year.

36 (2) "School district" means a school district that: (A) Has a declining  
37 enrollment; and (B) has adopted a local foundation budget in an amount  
38 that equals at least 31% of the total foundation aid for the school district at  
39 the time the school district applies to the state board of tax appeals for  
40 authority to make a levy pursuant to this section.

41 (f) The provisions of this section shall expire on July 1, 2018.

42 New Sec. 36. For the purpose of determining the general fund budget  
43 of a school district, weightings shall not be assigned to a student enrolled



1 in and attending KAMS. Moneys in the general fund that are attributable  
2 to a student enrolled in and attending KAMS shall not be included in the  
3 computation of the local foundation budget of the school district.

4 New Sec. 37. (a) There is hereby established in every school district a  
5 career and postsecondary education fund, which shall consist of all  
6 moneys deposited therein or transferred thereto according to law. All  
7 moneys received by a school district for any course or program authorized  
8 and approved under the provisions of article 44 of chapter 72 of the  
9 Kansas Statutes Annotated, and amendments thereto, except for courses  
10 and programs conducted in an area vocational school, shall be credited to  
11 the career and postsecondary education fund. All moneys received by the  
12 school district from tuition, fees or charges or from any other source for  
13 career technical education courses or programs, except for courses and  
14 programs conducted in an area vocational school, shall be credited to the  
15 career and postsecondary education fund. All moneys received by the  
16 school district from tuition, fees or charges or from any other source for  
17 postsecondary education courses or programs shall be credited to the  
18 career and postsecondary education fund.

19 (b) Expenditures made by a school district that are directly  
20 attributable to the following shall be paid from the career and  
21 postsecondary education fund:

- 22 (1) Career technical education;
- 23 (2) postsecondary education courses; and
- 24 (3) courses provided through distance-learning technology.

25 (c) Any balance remaining in the career and postsecondary education  
26 fund at the end of the budget year shall be carried forward into the career  
27 and postsecondary education fund for succeeding budget years. Such fund  
28 shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937,  
29 and amendments thereto. In preparing the budget of such school district,  
30 the amounts credited to and the amount on hand in the career and  
31 postsecondary education fund, and the amount expended therefrom shall  
32 be included in the annual budget for the information of the residents of the  
33 school district.

34 New Sec. 38. There is hereby established in every school district a  
35 driver training fund, which shall consist of all moneys deposited therein or  
36 transferred thereto according to law. All moneys received by the school  
37 district from distributions made from the state safety fund and the  
38 motorcycle safety fund and from tuition, fees or charges for driver training  
39 courses shall be credited to the driver training fund. The expenses of a  
40 school district directly attributable to driver training shall be paid from the  
41 driver training fund.

42 New Sec. 39. There is hereby established in every school district a  
43 food service fund, which shall consist of all moneys deposited therein or

1 transferred thereto according to law. All moneys received by the school  
2 district for food service and from charges for food service shall be credited  
3 to the food service fund. The expenses of a school district attributable to  
4 food service shall be paid from the food service fund.

5 New Sec. 40. There is hereby established in every school district a  
6 contingency reserve fund, which shall consist of all moneys deposited  
7 therein or transferred thereto according to law. The fund shall be  
8 maintained for payment of expenses of a school district attributable to  
9 financial contingencies as determined by the board.

10 New Sec. 41. (a) Except as otherwise provided in this section, any  
11 revenues of a school district, not required by law to be deposited in or  
12 credited to a specific fund, shall be deposited in or credited to any  
13 categorical fund of the school district or to the capital outlay fund of the  
14 school district.

15 (b) At the discretion of the board of education of a school district,  
16 revenues earned from the investment of an activity fund of the school  
17 district in accordance with the provisions of K.S.A. 12-1675, and  
18 amendments thereto, may be deposited in or credited to such activity fund.

19 (c) (1) At the discretion of the board and subject to subsection (c)(2),  
20 any revenues specified in subsections (a) and (b) may be deposited in or  
21 credited to the general fund of the school district in any school year for  
22 which the allotment system authorized under K.S.A. 75-3722, and  
23 amendments thereto, has been inaugurated and applied to appropriations  
24 made for state foundation aid, or in any school year for which any portion  
25 of the appropriations made for state foundation aid are lapsed by an act of  
26 the legislature.

27 (2) In no event may the amount of revenues deposited in or credited  
28 to the general fund of the school district under authority of subsection (c)  
29 (1) exceed an amount equal to the amount of the reduction in state  
30 foundation aid paid to the school district determined by the state board to  
31 be the result of application of the allotment system to the appropriations  
32 made for state foundation aid or of the lapse of any portion thereof by an  
33 act of the legislature.

34 (d) At the discretion of the board, revenues received by the school  
35 district from the federal government as the school district's share of the  
36 proceeds derived from sale by the federal government of its rights to oil,  
37 gas and other minerals located beneath the surface of lands within the  
38 school district's boundaries may be deposited in the bond and interest fund  
39 of the school district and used for the purposes of such fund. If at any time  
40 all indebtedness and obligations of such fund have been fully paid and  
41 canceled, the revenues authorized by this subsection to be deposited in  
42 such fund shall be disposed of as provided in subsection (a).

43 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and

1 amendments thereto, conflict with this section, this section shall control.

2 New Sec. 42. (a) Any lawful transfer of moneys from the general  
3 fund of a school district to any other fund shall be an operating expense in  
4 the year the transfer is made. The board of education of a school district  
5 may transfer moneys from the general fund to any categorical fund of the  
6 school district in any school year.

7 (b) The board may transfer moneys from the general fund to the  
8 contingency reserve fund of the school district, subject to any limitations  
9 imposed upon the amount authorized to be maintained in the contingency  
10 reserve fund.

11 (c) The board may transfer moneys from the general fund to the:

12 (1) Capital outlay fund;

13 (2) special reserve fund;

14 (3) special liability expense fund; and

15 (4) textbook and student materials revolving fund.

16 (d) In each school year, the board may transfer to its general fund  
17 from any fund to which transfers from the general fund are authorized an  
18 amount not to exceed an amount equal to the amount transferred from the  
19 general fund to any such fund in the same school year.

20 New Sec. 43. Expenditures of a school district for the following  
21 purposes are not operating expenses:

22 (a) Payments to another school district in an adjustment of rights as  
23 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of  
24 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and  
25 amendments thereto, if paid from any fund other than the general fund;

26 (b) payments to another school district under K.S.A. 72-7105a, and  
27 amendments thereto;

28 (c) the maintenance of student activities that are reimbursed;

29 (d) expenditures from any lawfully authorized fund of a school  
30 district other than its general fund;

31 (e) the provision of educational services for students residing at the  
32 Flint Hills job corps center, students housed at a psychiatric residential  
33 treatment facility or students confined in a juvenile detention facility for  
34 which the school district is reimbursed by a grant of state moneys as  
35 provided in K.S.A. 72-8187, and amendments thereto; and

36 (f) programs financed, in part or in whole, by federal funds that may  
37 be expended although not included in the budget of the school district,  
38 excluding funds received under the provisions of title I of public law 874,  
39 but not including in such exclusion amounts received for assistance in  
40 cases of major disaster and amounts received under the low-rent housing  
41 program, to the extent of the federal funds to be provided.

42 New Sec. 44. If in any school year a school district expends an  
43 amount for operating expenses that exceeds its general fund budget, the

1 state board shall determine the excess and deduct the same from amounts  
2 of state foundation aid payable to the school district during the next  
3 succeeding school year.

4 New Sec. 45. (a) In order to accomplish the mission for Kansas  
5 education, the state board shall design and adopt a school district  
6 accreditation system based upon improvement in performance that reflects  
7 the educational goal set forth in K.S.A. 2016 Supp. 72-1127(c), and  
8 amendments thereto, and is measurable. On or before January 15, 2018,  
9 and each January 15 thereafter, the state board shall prepare and submit a  
10 report on the school district accreditation system to the governor and the  
11 legislature.

12 (b) The state board shall establish curriculum standards that reflect  
13 high academic standards for the core academic areas of mathematics,  
14 science, reading, writing and social studies. The curriculum standards shall  
15 be reviewed at least every seven years. Nothing in this subsection shall be  
16 construed in any manner so as to impinge upon any school district's  
17 authority to determine its own curriculum.

18 (c) The state board shall provide for statewide assessments in the core  
19 academic areas of mathematics, science, reading, writing and social  
20 studies. The board shall ensure compatibility between the statewide  
21 assessments and the curriculum standards established pursuant to  
22 subsection (b). Such assessments shall be administered at three grade  
23 levels, as determined by the state board. The state board shall determine  
24 performance levels on the statewide assessments, the achievement of  
25 which represents high academic standards in the academic area at the  
26 grade level to which the assessment applies. The state board should specify  
27 high academic standards both for individual performance and school  
28 performance on the assessments.

29 (d) Each school year, on such date as specified by the state board,  
30 each school district shall submit the Kansas education system accreditation  
31 report to the state board in such form and manner as prescribed by the state  
32 board.

33 (e) Whenever the state board determines that a school district has  
34 failed either to meet the accreditation requirements established by rules  
35 and regulations or standards adopted by the state board or provide  
36 curriculum based on state standards and courses required by state law, the  
37 state board shall so notify the school district. Such notice shall specify the  
38 accreditation requirements that the school district has failed to meet and  
39 the curriculum that it has failed to provide. Upon receipt of such notice,  
40 the board of education of such school district is encouraged to reallocate  
41 the resources of the school district to remedy all deficiencies identified by  
42 the state board.

43 (f) Each school in every school district shall establish a school site

1 council composed of the principal and representatives of teachers and  
2 other school personnel, parents of students attending the school, the  
3 business community and other community groups. School site councils  
4 shall be responsible for providing advice and counsel in evaluating state,  
5 school district, and school site performance goals and objectives and in  
6 determining the methods that should be employed at the school site to  
7 meet these goals and objectives. Site councils may make recommendations  
8 and proposals to the school board regarding budgetary items and school  
9 district matters, including, but not limited to, identifying and implementing  
10 the best practices for developing efficient and effective administrative and  
11 management functions. Site councils also may help school boards analyze  
12 the unique environment of schools, enhance the efficiency and maximize  
13 limited resources, including outsourcing arrangements and cooperative  
14 opportunities as a means to address limited budgets.

15 New Sec. 46. (a) On or before January 15 of each year, the state  
16 department of education shall prepare and submit reports on school district  
17 funding for each school district to the governor and the legislature.

18 (b) Each report shall contain the information described in subsection  
19 (c) for the school district in terms of actual dollar amounts for the  
20 immediately preceding school year, actual dollar amounts for the current  
21 school year and budgeted dollar amounts for the immediately succeeding  
22 school year.

23 (c) Each report shall contain the following information for the school  
24 district:

25 (1) Full-time equivalent enrollment;

26 (2) total general and supplemental general funds, including a showing  
27 of funding provided by federal sources, state sources and local sources,  
28 and total funds per student;

29 (3) total capital outlay funds, including a showing of such funding  
30 provided by federal sources, state sources and local sources, and capital  
31 outlay funds per student;

32 (4) total bond and interest funds, including a showing of such funding  
33 provided by federal sources, state sources and local sources, and bond and  
34 interest funds per student;

35 (5) total of all other funds not described in paragraphs (2), (3) and (4),  
36 excluding fund transfers, including a showing of such funding provided by  
37 federal sources, state sources and local sources, and total funds per  
38 student;

39 (6) general fund moneys attributable to the following:

40 (A) BASE aid;

41 (B) enrollment weighting;

42 (C) school facilities weighting;

43 (D) transportation weighting;

- 1 (E) at-risk student weighting;
- 2 (F) preschool-aged at-risk student weighting;
- 3 (G) high-density at-risk student weighting;
- 4 (H) career technical education weighting;
- 5 (I) special education and related services weighting;
- 6 (J) bilingual weighting;
- 7 (K) ancillary school facilities weighting;
- 8 (L) declining enrollment weighting; and
- 9 (M) virtual school state aid; and
- 10 (7) total expenditures from each of the following funds:
- 11 (A) At-risk education fund;
- 12 (B) preschool-aged at-risk education fund;
- 13 (C) bilingual education fund;
- 14 (D) career and postsecondary education fund;
- 15 (E) special education fund;
- 16 (F) virtual school fund; and
- 17 (G) special retirement contributions fund.

18 New Sec. 47. The legislative post audit committee shall direct the  
19 legislative division of post audit to conduct the following performance  
20 audits in the fiscal year specified:

21 (a) A performance audit of transportation services funding. The audit  
22 should include a comparison of the amount of transportation services  
23 funding school districts receive to the cost of providing transportation  
24 services. This performance audit shall be conducted during fiscal year  
25 2018, and the final audit report shall be submitted to the legislature on or  
26 before January 15, 2018.

27 (b) A performance audit of at-risk education funding. The audit  
28 should evaluate the method of counting students for at-risk education  
29 funding, the level of the at-risk student weighting and high-density at-risk  
30 student weighting under the act and how school districts are expending  
31 moneys provided for at-risk education. This performance audit shall be  
32 conducted during fiscal year 2020, and the final audit report shall be  
33 submitted to the legislature on or before January 15, 2020.

34 (c) A performance audit of bilingual education funding. The audit  
35 should evaluate the method of counting students for bilingual education  
36 funding, the level of the bilingual weighting under the act and how school  
37 districts are expending moneys provided for bilingual education. This  
38 performance audit shall be conducted during fiscal year 2023, and the final  
39 audit report shall be submitted to the legislature on or before January 15,  
40 2023.

41 (d) A study of statewide virtual school programs administered in  
42 other states. The study shall include, but not be limited to, the following:

43 (1) The aggregate cost incurred by each state administering a virtual

1 school program, and the cost incurred by individual school districts or  
2 schools within each state;

3 (2) the resources necessary for the implementation of each virtual  
4 school program, including, but not limited to, personnel, equipment,  
5 software and facility usage;

6 (3) the scope of each virtual school program; and

7 (4) the effectiveness of each virtual school program with respect to  
8 student performance and outcomes.

9 The audit shall be conducted during fiscal year 2024, and the final audit  
10 report shall be submitted to the legislature on or before January 15, 2024.

11 (e) (1) A performance audit to provide a reasonable estimate of the  
12 cost of providing educational opportunities for every public school student  
13 in Kansas to achieve the performance outcome standards adopted by the  
14 state board of education. This performance audit shall be conducted three  
15 times as follows:

16 (A) During fiscal year 2019, and the final report submitted to the  
17 legislature on or before January 15, 2019;

18 (B) during fiscal year 2022, and the final report submitted to the  
19 legislature on or before January 15, 2022; and

20 (C) during fiscal year 2025, and the final report submitted to the  
21 legislature on or before January 15, 2025.

22 (2) Each performance audit required under this subsection shall:

23 (A) Include reasonable estimates of the costs of providing specialized  
24 education services as required by law, including, but not limited to, special  
25 education and related services, bilingual education and at-risk programs;  
26 and

27 (B) account for other factors which may contribute to variations in  
28 costs incurred by school districts, including, but not limited to, total  
29 district enrollment and geographic location within the state.

30 (3) In conducting each performance audit required under this  
31 subsection:

32 (A) Any examination of historical data and expenditures shall correct  
33 any recognized inadequacy of such data or expenditure through a  
34 statistically valid method of extrapolation; and

35 (B) subject to the limitations of the division of legislative post audit  
36 budget and appropriations therefor, the legislative post auditor may enter  
37 into contracts with consultants as the post auditor deems necessary.

38 (f) A performance audit to identify best practices in successful  
39 schools. The audit should include a comparison of the educational methods  
40 and other practices of demographically similar school districts that achieve  
41 significantly different student outcomes based on performance outcome  
42 standards adopted by the state board of education. This performance audit  
43 shall be conducted during fiscal year 2021, and the final audit report shall

1 be submitted to the legislature on or before January 15, 2021. The audit  
2 shall be conducted a second time during fiscal year 2026, and the final  
3 audit report shall be submitted to the legislature on or before January 15,  
4 2026.

5 New Sec. 48. The state board may adopt rules and regulations for the  
6 administration of this act, including the classification of expenditures of  
7 school districts to ensure uniform reporting of operating expenses.

8 New Sec. 49. The provisions of the Kansas school equity and  
9 enhancement act, section 3 et seq., and amendments thereto, shall not be  
10 severable. If any provision of the Kansas school equity and enhancement  
11 act, section 3 et seq., and amendments thereto, is held to be invalid or  
12 unconstitutional by court order, all provisions of the Kansas school equity  
13 and enhancement act, section 3 et seq., and amendments thereto, shall be  
14 null and void.

15 New Sec. 50. (a) The state department of education shall conduct a  
16 study of the cost of career technical education programs offered by school  
17 districts, including, but not limited to, the following:

18 (1) The career technical education programs offered by school  
19 districts;

20 (2) the costs associated with offering such programs, including  
21 salaries and wages, materials, equipment and facilities; and

22 (3) the coordination between school districts, community colleges  
23 and technical colleges in offering such programs.

24 (b) On or before January 15, 2018, the state department of education  
25 shall prepare a report on its findings and shall make recommendations on  
26 amendments to the Kansas school equity and enhancement act, section 3 et  
27 seq., and amendments thereto, for the financing of career technical  
28 education programs using a tiered technical education model or other  
29 funding model. The report shall be submitted to the governor and the  
30 legislature.

31 (c) The provisions of this section shall expire on July 1, 2018.

32 New Sec. 51. (a) There is hereby established in the state treasury the  
33 school district capital outlay state aid fund. Such fund shall consist of all  
34 moneys transferred thereto under the provisions of subsection (d).

35 (b) Each school district that levies a tax pursuant to K.S.A. 72-8801  
36 et seq., and amendments thereto, shall receive payment from the school  
37 district capital outlay state aid fund in an amount determined by the state  
38 board of education as provided in this section.

39 (c) The state board shall:

40 (1) Determine the amount of the assessed valuation per student of  
41 each school district in the state for the preceding school year and round  
42 such amount to the nearest \$1,000. The rounded amount is the assessed  
43 valuation per student of a school district for the purposes of this



1 subsection;

2 (2) determine the median assessed valuation per student of all school  
3 districts;

4 (3) prepare a schedule of dollar amounts using the amount of the  
5 median assessed valuation per student of all school districts as the point of  
6 beginning. The schedule of dollar amounts shall range upward in equal  
7 \$1,000 intervals from the point of beginning to and including an amount  
8 that is equal to the amount of the assessed valuation per student of the  
9 school district with the highest assessed valuation per student of all school  
10 districts and shall range downward in equal \$1,000 intervals from the point  
11 of beginning to and including an amount that is equal to the amount of the  
12 assessed valuation per student of the school district with the lowest  
13 assessed valuation per student of all school districts;

14 (4) determine a state aid percentage factor for each school district by  
15 assigning a state aid computation percentage to the amount of the median  
16 assessed valuation per student shown on the schedule, decreasing the state  
17 aid computation percentage assigned to the amount of the median assessed  
18 valuation per student by one percentage point for each \$1,000 interval  
19 above the amount of the median assessed valuation per student, and  
20 increasing the state aid computation percentage assigned to the amount of  
21 the median assessed valuation per student by one percentage point for each  
22 \$1,000 interval below the amount of the median assessed valuation per  
23 student. The state aid percentage factor of a school district is the  
24 percentage assigned to the schedule amount that is equal to the amount of  
25 the assessed valuation per student of the school district, except that the  
26 state aid percentage factor of a school district shall not exceed 100%. The  
27 state aid computation percentage is 25%;

28 (5) determine the amount levied by each school district pursuant to  
29 K.S.A. 72-8801 et seq., and amendments thereto; and

30 (6) multiply the amount computed under subsection (c)(5), but not to  
31 exceed 8 mills, by the applicable state aid percentage factor. The resulting  
32 product is the amount of payment the school district is to receive from the  
33 school district capital outlay state aid fund in the school year.

34 (d) The state board shall certify to the director of accounts and reports  
35 the amount of school district capital outlay state aid determined under the  
36 provisions of subsection (c), and an amount equal thereto shall be  
37 transferred by the director from the state general fund to the school district  
38 capital outlay state aid fund for distribution to school districts. All transfers  
39 made in accordance with the provisions of this subsection shall be  
40 considered to be demand transfers from the state general fund.

41 (e) Payments from the school district capital outlay state aid fund  
42 shall be distributed to school districts at times determined by the state  
43 board of education. The state board of education shall certify to the

1 director of accounts and reports the amount due each school district, and  
2 the director of accounts and reports shall draw a warrant on the state  
3 treasury payable to the treasurer of the school district. Upon receipt of the  
4 warrant, the treasurer of the school district shall credit the amount thereof  
5 to the capital outlay fund of the school district to be used for the purposes  
6 of such fund.

7 New Sec. 52. (a) Upon the request of a parent or legal guardian of a  
8 student who has been diagnosed with an autism spectrum disorder, a  
9 school district shall provide applied behavior analysis therapy for such  
10 student to the extent such therapy is ordered by a licensed physician,  
11 licensed psychologist or licensed specialist clinical social worker, provided  
12 there is a licensed clinician providing such therapy who is located within  
13 the territory of the school district. If such student has an individualized  
14 education program (IEP), then the provision of such therapy shall not  
15 directly conflict with any of the provisions of the IEP of such student, and  
16 shall not be required for the provision of free appropriate public education  
17 as required by any federal or state law.

18 (b) A school district may submit an application to the state board of  
19 education for state aid to be expended by the school district for the  
20 provision of applied behavior analysis therapy pursuant to subsection (a).  
21 Such application shall be submitted in such form and manner as prescribed  
22 by the state board, and shall include a description of the school district's  
23 need for such state aid. The state board shall review all submitted  
24 applications and to the extent moneys are available may approve such  
25 application. All payments of such state aid approved by the state board  
26 shall be paid from the ABA therapy state aid fund.

27 (c) There is hereby established in the state treasury the ABA therapy  
28 state aid fund which shall be administered by the state department of  
29 education. All expenditures from the ABA therapy state aid fund shall be  
30 used for the payment of state aid as approved by the state board pursuant  
31 to this section, and shall be made in accordance with appropriation acts  
32 upon warrants of the director of accounts and reports issued pursuant to  
33 vouchers approved by the state board, or the state board's designee. Upon  
34 receipt of the warrant, the treasurer of the school district shall credit the  
35 amount thereof to the general fund of the school district.

36 (d) On July 1, 2018, and each July 1 thereafter, the state board of  
37 education shall determine the aggregate enrollment of students in school  
38 districts in this state for the immediately preceding school year and  
39 multiply such aggregate enrollment by \$4. The state board shall certify to  
40 the director of accounts and reports the resulting amount. Upon receipt of  
41 such certification or as soon as moneys are available, an amount equal to  
42 the amount certified by the state board shall be transferred by the director  
43 from the state general fund to the ABA therapy state aid fund. All transfers

1 made in accordance with the provisions of this subsection shall be  
2 considered to be demand transfers from the state general fund.

3 (e) For purposes of this section, the terms "autism spectrum disorder"  
4 and "applied behavior analysis" mean the same as those terms are defined  
5 in K.S.A. 2016 Supp. 40-2,194, and amendments thereto.

6 (f) The provisions of this section shall be effective on and after July  
7 1, 2018.

8 Sec. 53. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as  
9 follows: 10-1116a. The limitations on expenditures imposed under the  
10 cash-basis law shall not apply to:

11 (a) Expenditures in excess of current revenues made for municipally  
12 owned and operated utilities out of the fund of such utilities caused by, or  
13 resulting from the meeting of, extraordinary emergencies including  
14 drought emergencies. In such cases expenditures in excess of current  
15 revenues may be made by declaring an extraordinary emergency by  
16 resolution adopted by the governing body and such resolution shall be  
17 published at least once in a newspaper of general circulation in such city.  
18 Thereupon, such governing body may issue interest bearing no-fund  
19 warrants on such utility fund in an amount, including outstanding  
20 previously issued no-fund warrants, not to exceed 25% of the revenues  
21 from sales of service of such utility for the preceding year. Such warrants  
22 shall be redeemed within three years from date of issuance and shall bear  
23 interest at a rate of not to exceed the maximum rate of interest prescribed  
24 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a  
25 drought emergency, the governing body may issue such warrants for water  
26 system improvement purposes in an amount not to exceed 50% of the  
27 revenue received from the sale of water for the preceding year. Such  
28 warrants shall be redeemed within five years from the date of issuance and  
29 shall bear interest at a rate not to exceed the maximum rate of interest  
30 prescribed by K.S.A. 10-1009, and amendments thereto.

31 (b) Expenditures in any month by school districts which are in excess  
32 of current revenues if the deficit or shortage in revenues is caused by, or a  
33 result of, the payment of state aid after the date prescribed for the payment  
34 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466 section~~  
35 ~~7~~, and amendments thereto.

36 Sec. 54. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as  
37 follows: 12-1677. (a) Except as otherwise required by state or federal law,  
38 all moneys earned and collected from investments by counties, area  
39 vocational-technical schools and quasi-municipal corporations authorized  
40 in this act shall be credited to the general fund of such county, area  
41 vocational-technical school or quasi-municipal corporation by the treasurer  
42 thereof, and all moneys earned and collected from investments by school  
43 districts authorized in this act shall be credited to the general fund of the

1 ~~school district~~ *in accordance with the provisions of section 41, and*  
2 *amendments thereto.*

3 (b) The treasurer of each county, school district, area vocational-  
4 technical school or quasi-municipal corporation shall maintain a complete  
5 record of all investments authorized in this act and shall make a quarterly  
6 written report of such record to the governing body of such county, school  
7 district, area vocational-technical school or quasi-municipal corporation.

8 Sec. 55. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as  
9 follows: 12-1770a. As used in this act, the following words and phrases  
10 shall have the following meanings unless a different meaning clearly  
11 appears from the content:

12 (a) "Auto race track facility" means: (1) An auto race track facility  
13 and facilities directly related and necessary to the operation of an auto race  
14 track facility, including, but not limited to, grandstands, suites and viewing  
15 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
16 centers, signage and temporary hospitality facilities, but excluding (2)  
17 hotels, motels, restaurants and retail facilities, not directly related to or  
18 necessary to the operation of such facility.

19 (b) "Base year assessed valuation" means the assessed valuation of all  
20 real property within the boundaries of a redevelopment district on the date  
21 the redevelopment district was established.

22 (c) "Blighted area" means an area which:

23 (1) Because of the presence of a majority of the following factors,  
24 substantially impairs or arrests the development and growth of the  
25 municipality or constitutes an economic or social liability or is a menace to  
26 the public health, safety, morals or welfare in its present condition and use:

- 27 (A) A substantial number of deteriorated or deteriorating structures;  
28 (B) predominance of defective or inadequate street layout;  
29 (C) unsanitary or unsafe conditions;  
30 (D) deterioration of site improvements;  
31 (E) tax or special assessment delinquency exceeding the fair market  
32 value of the real property;  
33 (F) defective or unusual conditions of title including, but not limited to,  
34 cloudy or defective titles, multiple or unknown ownership interests to  
35 the property;  
36 (G) improper subdivision or obsolete platting or land uses;  
37 (H) the existence of conditions which endanger life or property by  
38 fire or other causes; or  
39 (I) conditions which create economic obsolescence;  
40 (2) has been identified by any state or federal environmental agency  
41 as being environmentally contaminated to an extent that requires a  
42 remedial investigation; feasibility study and remediation or other similar  
43 state or federal action;

- 1 (3) a majority of the property is a 100-year floodplain area; or  
2 (4) previously was found by resolution of the governing body to be a  
3 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments  
4 thereto.
- 5 (d) "Conservation area" means any improved area comprising 15% or  
6 less of the land area within the corporate limits of a city in which 50% or  
7 more of the structures in the area have an age of 35 years or more, which  
8 area is not yet blighted, but may become a blighted area due to the  
9 existence of a combination of two or more of the following factors:
- 10 (1) Dilapidation, obsolescence or deterioration of the structures;  
11 (2) illegal use of individual structures;  
12 (3) the presence of structures below minimum code standards;  
13 (4) building abandonment;  
14 (5) excessive vacancies;  
15 (6) overcrowding of structures and community facilities; or  
16 (7) inadequate utilities and infrastructure.
- 17 (e) "De minimus" means an amount less than 15% of the land area  
18 within a redevelopment district.
- 19 (f) "Developer" means any person, firm, corporation, partnership or  
20 limited liability company, other than a city and other than an agency,  
21 political subdivision or instrumentality of the state or a county when  
22 relating to a bioscience development district.
- 23 (g) "Eligible area" means a blighted area, conservation area,  
24 enterprise zone, intermodal transportation area, major tourism area or a  
25 major commercial entertainment and tourism area, bioscience  
26 development area or a building or buildings which are 65 years of age or  
27 older and any contiguous vacant or condemned lots.
- 28 (h) "Enterprise zone" means an area within a city that was designated  
29 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107  
30 through 12-17,113, and amendments thereto, prior to its repeal and the  
31 conservation, development or redevelopment of the area is necessary to  
32 promote the general and economic welfare of such city.
- 33 (i) "Environmental increment" means the increment determined  
34 pursuant to K.S.A. 12-1771a(b), and amendments thereto.
- 35 (j) "Environmentally contaminated area" means an area of land  
36 having contaminated groundwater or soil which is deemed  
37 environmentally contaminated by the department of health and  
38 environment or the United States environmental protection agency.
- 39 (k) (1) "Feasibility study" means:  
40 (A) A study which shows whether a redevelopment project's or  
41 bioscience development project's benefits and tax increment revenue and  
42 other available revenues under K.S.A. 12-1774(a)(1), and amendments  
43 thereto, are expected to exceed or be sufficient to pay for the

1 redevelopment or bioscience development project costs; and

2 (B) the effect, if any, the redevelopment project costs or bioscience  
3 development project will have on any outstanding special obligation bonds  
4 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and  
5 amendments thereto.

6 (2) For a redevelopment project or bioscience project financed by  
7 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and  
8 amendments thereto, the feasibility study must also include:

9 (A) A statement of how the taxes obtained from the project will  
10 contribute significantly to the economic development of the jurisdiction in  
11 which the project is located;

12 (B) a statement concerning whether a portion of the local sales and  
13 use taxes are pledged to other uses and are unavailable as revenue for the  
14 redevelopment project. If a portion of local sales and use taxes is so  
15 committed, the applicant shall describe the following:

16 (i) The percentage of sales and use taxes collected that are so  
17 committed; and

18 (ii) the date or dates on which the local sales and use taxes pledged to  
19 other uses can be pledged for repayment of special obligation bonds;

20 (C) an anticipated principal and interest payment schedule on the  
21 bonds;

22 (D) following approval of the redevelopment plan, the feasibility  
23 study shall be supplemented to include a copy of the minutes of the  
24 governing body meeting or meetings of any city whose bonding authority  
25 will be utilized in the project, evidencing that a redevelopment plan has  
26 been created, discussed, and adopted by the city in a regularly scheduled  
27 open public meeting; and

28 (E) the failure to include all information enumerated in this  
29 subsection in the feasibility study for a redevelopment or bioscience  
30 project shall not affect the validity of bonds issued pursuant to this act.

31 (l) "Major tourism area" means an area for which the secretary has  
32 made a finding the capital improvements costing not less than  
33 \$100,000,000 will be built in the state to construct an auto race track  
34 facility.

35 (m) "Real property taxes" means all taxes levied on an ad valorem  
36 basis upon land and improvements thereon, except that when relating to a  
37 bioscience development district, as defined in this section, "real property  
38 taxes" does not include property taxes levied ~~for schools, by school~~  
39 ~~districts pursuant to K.S.A. 2016 Supp. 72-6470 section 14, and~~  
40 amendments thereto.

41 (n) "Redevelopment project area" means an area designated by a city  
42 within a redevelopment district or, if the redevelopment district is  
43 established for an intermodal transportation area, an area designated by a

- 1 city within or outside of the redevelopment district.
- 2 (o) "Redevelopment project costs" means: (1) Those costs necessary  
3 to implement a redevelopment project plan or a bioscience development  
4 project plan, including costs incurred for:
- 5 (A) Acquisition of property within the redevelopment project area;
  - 6 (B) payment of relocation assistance pursuant to a relocation  
7 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;
  - 8 (C) site preparation including utility relocations;
  - 9 (D) sanitary and storm sewers and lift stations;
  - 10 (E) drainage conduits, channels, levees and river walk canal facilities;
  - 11 (F) street grading, paving, graveling, macadamizing, curbing,  
12 guttering and surfacing;
  - 13 (G) street light fixtures, connection and facilities;
  - 14 (H) underground gas, water, heating and electrical services and  
15 connections located within the public right-of-way;
  - 16 (I) sidewalks and pedestrian underpasses or overpasses;
  - 17 (J) drives and driveway approaches located within the public right-of-  
18 way;
  - 19 (K) water mains and extensions;
  - 20 (L) plazas and arcades;
  - 21 (M) major multi-sport athletic complex;
  - 22 (N) museum facility;
  - 23 (O) parking facilities including multilevel parking facilities;
  - 24 (P) landscaping and plantings, fountains, shelters, benches,  
25 sculptures, lighting, decorations and similar amenities;
  - 26 (Q) related expenses to redevelop and finance the redevelopment  
27 project;
  - 28 (R) for purposes of an incubator project, such costs shall also include  
29 wet lab equipment including hoods, lab tables, heavy water equipment and  
30 all such other equipment found to be necessary or appropriate for a  
31 commercial incubator wet lab facility by the city in its resolution  
32 establishing such redevelopment district or a bioscience development  
33 district;
  - 34 (S) costs for the acquisition of land for and the construction and  
35 installation of publicly-owned infrastructure improvements which serve an  
36 intermodal transportation area and are located outside of a redevelopment  
37 district; and
  - 38 (T) costs for infrastructure located outside the redevelopment district  
39 but contiguous to any portion of the redevelopment district and such  
40 infrastructure is necessary for the implementation of the redevelopment  
41 plan as determined by the city.
- 42 (2) Redevelopment project costs shall not include: (A) Costs incurred  
43 in connection with the construction of buildings or other structures to be

1 owned by or leased to a developer, however, the "redevelopment project  
2 costs" shall include costs incurred in connection with the construction of  
3 buildings or other structures to be owned or leased to a developer which  
4 includes an auto race track facility or a multilevel parking facility.

5 (B) In addition, for a redevelopment project financed with special  
6 obligation bonds payable from the revenues described in K.S.A. 12-  
7 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall  
8 not include:

9 (i) Fees and commissions paid to developers, real estate agents,  
10 financial advisors or any other consultants who represent the developers or  
11 any other businesses considering locating in or located in a redevelopment  
12 district;

13 (ii) salaries for local government employees;

14 (iii) moving expenses for employees of the businesses locating within  
15 the redevelopment district;

16 (iv) property taxes for businesses that locate in the redevelopment  
17 district;

18 (v) lobbying costs;

19 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-  
20 1742, and amendments thereto;

21 (vii) any personal property, as defined in K.S.A. 79-102, and  
22 amendments thereto; and

23 (viii) travel, entertainment and hospitality.

24 (p) "Redevelopment district" means the specific area declared to be  
25 an eligible area in which the city may develop one or more redevelopment  
26 projects.

27 (q) "Redevelopment district plan" or "district plan" means the  
28 preliminary plan that identifies all of the proposed redevelopment project  
29 areas and identifies in a general manner all of the buildings, facilities and  
30 improvements in each that are proposed to be constructed or improved in  
31 each redevelopment project area or, if the redevelopment district is  
32 established for an intermodal transportation area, in or outside of the  
33 redevelopment district.

34 (r) "Redevelopment project" means the approved project to  
35 implement a project plan for the development of the established  
36 redevelopment district.

37 (s) "Redevelopment project plan" means the plan adopted by a  
38 municipality for the development of a redevelopment project or projects  
39 which conforms with K.S.A. 12-1772, and amendments thereto, in a  
40 redevelopment district.

41 (t) "Substantial change" means, as applicable, a change wherein the  
42 proposed plan or plans differ substantially from the intended purpose for  
43 which the district plan or project plan was approved.



1 (u) "Tax increment" means that amount of real property taxes  
2 collected from real property located within the redevelopment district that  
3 is in excess of the amount of real property taxes which is collected from  
4 the base year assessed valuation.

5 (v) "Taxing subdivision" means the county, city, unified school  
6 district and any other taxing subdivision levying real property taxes, the  
7 territory or jurisdiction of which includes any currently existing or  
8 subsequently created redevelopment district including a bioscience  
9 development district.

10 (w) "River walk canal facilities" means a canal and related water  
11 features which flows through a redevelopment district and facilities related  
12 or contiguous thereto, including, but not limited to pedestrian walkways  
13 and promenades, landscaping and parking facilities.

14 (x) "Major commercial entertainment and tourism area" may include,  
15 but not be limited to, a major multi-sport athletic complex.

16 (y) "Major multi-sport athletic complex" means an athletic complex  
17 that is utilized for the training of athletes, the practice of athletic teams, the  
18 playing of athletic games or the hosting of events. Such project may  
19 include playing fields, parking lots and other developments including  
20 grandstands, suites and viewing areas, concessions, souvenir facilities,  
21 catering facilities, visitor centers, signage and temporary hospitality  
22 facilities, but excluding hotels, motels, restaurants and retail facilities, not  
23 directly related to or necessary to the operation of such facility.

24 (z) "Bioscience" means the use of compositions, methods and  
25 organisms in cellular and molecular research, development and  
26 manufacturing processes for such diverse areas as pharmaceuticals,  
27 medical therapeutics, medical diagnostics, medical devices, medical  
28 instruments, biochemistry, microbiology, veterinary medicine, plant  
29 biology, agriculture, industrial environmental and homeland security  
30 applications of bioscience and future developments in the biosciences.  
31 Bioscience includes biotechnology and life sciences.

32 (aa) "Bioscience development area" means an area that:

33 (1) Is or shall be owned, operated, or leased by, or otherwise under  
34 the control of the Kansas bioscience authority;

35 (2) is or shall be used and maintained by a bioscience company; or

36 (3) includes a bioscience facility.

37 (bb) "Bioscience development district" means the specific area,  
38 created under K.S.A. 12-1771, and amendments thereto, where one or  
39 more bioscience development projects may be undertaken.

40 (cc) "Bioscience development project" means an approved project to  
41 implement a project plan in a bioscience development district.

42 (dd) "Bioscience development project plan" means the plan adopted  
43 by the authority for a bioscience development project pursuant to K.S.A.

1 12-1772, and amendments thereto, in a bioscience development district.

2 (ee) "Bioscience facility" means real property and all improvements  
3 thereof used to conduct bioscience research, including, without limitation,  
4 laboratory space, incubator space, office space and any and all facilities  
5 directly related and necessary to the operation of a bioscience facility.

6 (ff) "Bioscience project area" means an area designated by the  
7 authority within a bioscience development district.

8 (gg) "Biotechnology" means those fields focusing on technological  
9 developments in such areas as molecular biology, genetic engineering,  
10 genomics, proteomics, physiomics, nanotechnology, biodefense,  
11 biocomputing, bioinformatics and future developments associated with  
12 biotechnology.

13 (hh) "Board" means the board of directors of the Kansas bioscience  
14 authority.

15 (ii) "Life sciences" means the areas of medical sciences,  
16 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,  
17 ecology, toxicology, organic chemistry, physical chemistry, physiology and  
18 any future advances associated with life sciences.

19 (jj) "Revenue increase" means that amount of real property taxes  
20 collected from real property located within the bioscience development  
21 district that is in excess of the amount of real property taxes which is  
22 collected from the base year assessed valuation.

23 (kk) "Taxpayer" means a person, corporation, limited liability  
24 company, S corporation, partnership, registered limited liability  
25 partnership, foundation, association, nonprofit entity, sole proprietorship,  
26 business trust, group or other entity that is subject to the Kansas income  
27 tax act, K.S.A. 79-3201 et seq., and amendments thereto.

28 (ll) "Floodplain increment" means the increment determined pursuant  
29 to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.

30 (mm) "100-year floodplain area" means an area of land existing in a  
31 100-year floodplain as determined by either an engineering study of a  
32 Kansas certified engineer or by the United States federal emergency  
33 management agency.

34 (nn) "Major motorsports complex" means a complex in Shawnee  
35 county that is utilized for the hosting of competitions involving motor  
36 vehicles, including, but not limited to, automobiles, motorcycles or other  
37 self-propelled vehicles other than a motorized bicycle or motorized  
38 wheelchair. Such project may include racetracks, all facilities directly  
39 related and necessary to the operation of a motorsports complex,  
40 including, but not limited to, parking lots, grandstands, suites and viewing  
41 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
42 centers, signage and temporary hospitality facilities, but excluding hotels,  
43 motels, restaurants and retail facilities not directly related to or necessary

1 to the operation of such facility.

2 (oo) "Intermodal transportation area" means an area of not less than  
3 800 acres to be developed primarily to handle the transfer, storage and  
4 distribution of freight through railway and trucking operations.

5 (pp) "Museum facility" means a separate newly-constructed museum  
6 building and facilities directly related and necessary to the operation  
7 thereof, including gift shops and restaurant facilities, but excluding hotels,  
8 motels, restaurants and retail facilities not directly related to or necessary  
9 to the operation of such facility. The museum facility shall be owned by  
10 the state, a city, county, other political subdivision of the state or a non-  
11 profit corporation, shall be managed by the state, a city, county, other  
12 political subdivision of the state or a non-profit corporation and may not  
13 be leased to any developer and shall not be located within any retail or  
14 commercial building.

15 Sec. 56. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as  
16 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of  
17 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has  
18 established a redevelopment district prior to July 1, 1996, shall certify to  
19 the director of accounts and reports the amount equal to the amount of  
20 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~  
21 ~~Supp. 72-6470~~ *section 14*, and amendments thereto, within such  
22 redevelopment district. Prior to February 1, 1997, and annually on that  
23 date thereafter, the governing body of each such city shall certify to the  
24 director of accounts and reports an amount equal to the amount by which  
25 revenues realized from such ad valorem taxes imposed in such  
26 redevelopment district are estimated to be reduced for the ensuing calendar  
27 year due to legislative changes in the statewide school finance formula.  
28 Prior to March 1 of each year, the director of accounts and reports shall  
29 certify to the state treasurer each amount certified by the governing bodies  
30 of cities under this section for the ensuing calendar year and shall transfer  
31 from the state general fund to the city tax increment financing revenue  
32 fund the aggregate of all amounts so certified. Prior to April 15 of each  
33 year, the state treasurer shall pay from the city tax increment financing  
34 revenue fund to each city certifying an amount to the director of accounts  
35 and reports under this section for the ensuing calendar year the amount so  
36 certified.

37 (b) There is hereby created the tax increment financing revenue  
38 replacement fund which shall be administered by the state treasurer. All  
39 expenditures from the tax increment financing revenue replacement fund  
40 shall be made in accordance with appropriations acts upon warrants of the  
41 director of accounts and reports issued pursuant to vouchers approved by  
42 the state treasurer or a person or persons designated by the state treasurer.

43 Sec. 57. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as

1 follows: 12-1776a. (a) As used in this section:

2 (1) "School district" means any school district in which is located a  
3 redevelopment district for which bonds have been issued pursuant to  
4 K.S.A. 12-1770 et seq., and amendments thereto.

5 (2) "Base year assessed valuation," "redevelopment district" and  
6 "redevelopment project" shall have the meanings ascribed thereto by  
7 K.S.A. 12-1770a, and amendments thereto.

8 (b) No later than November 1 of each year, the county clerk of each  
9 county shall certify to the state board of education the assessed valuation  
10 of any school district located within a redevelopment district in such  
11 county. For the purposes of this section and for determining the amount of  
12 state aid for school districts under *section 17 and* K.S.A. 75-2319, and  
13 amendments thereto, the base year assessed valuation of property within  
14 the boundaries of a redevelopment district shall be used when determining  
15 the assessed valuation of a school district until the bonds issued pursuant  
16 to K.S.A. 12-1770 et seq., and amendments thereto, to finance  
17 redevelopment projects in the redevelopment district have been retired.

18 Sec. 58. K.S.A. 2016 Supp. 72-978 is hereby amended to read as  
19 follows: 72-978. (a) Each year, the state board of education shall determine  
20 the amount of state aid for the provision of special education and related  
21 services each school district shall receive for the ensuing school year. The  
22 amount of such state aid shall be computed by the state board as provided  
23 in this section. The state board shall:

24 (1) Determine the total amount of general fund and local ~~option~~  
25 *foundation* budgets of all school districts;

26 (2) subtract from the amount determined in subsection (a)(1) the total  
27 amount attributable to assignment of transportation weighting, program  
28 weighting, special education weighting and at-risk ~~pupil student~~  
29 ~~weighting, as those weightings were calculated under the school district~~  
30 ~~finance and quality performance act, prior to its repeal,~~ to the enrollment  
31 of all school districts;

32 (3) divide the remainder obtained in subsection (a)(2) by the total  
33 number of full-time equivalent pupils enrolled in all school districts on  
34 September 20;

35 (4) determine the total full-time equivalent enrollment of exceptional  
36 children receiving special education and related services provided by all  
37 school districts;

38 (5) multiply the amount of the quotient obtained in subsection (a)(3)  
39 by the full-time equivalent enrollment determined in subsection (a)(4);

40 (6) determine the amount of federal funds received by all school  
41 districts for the provision of special education and related services;

42 (7) determine the amount of revenue received by all school districts  
43 rendered under contracts with the state institutions for the provisions of

- 1 special education and related services by the state institution;
- 2 (8) add the amounts determined under subsections (a)(6) and (a)(7) to
- 3 the amount of the product obtained under subsection (a)(5);
- 4 (9) determine the total amount of expenditures of all school districts
- 5 for the provision of special education and related services;
- 6 (10) subtract the amount of the sum obtained under subsection (a)(8)
- 7 from the amount determined under subsection (a)(9); and
- 8 (11) multiply the remainder obtained under subsection (a)(10) by
- 9 92%.

10 The computed amount is the amount of state aid for the provision of

11 special education and related services aid a school district is entitled to

12 receive for the ensuing school year.

13 (b) Each school district shall ~~be entitled to~~ receive:

14 (1) Reimbursement for actual travel allowances paid to special

15 teachers at not to exceed the rate specified under K.S.A. 75-3203, and

16 amendments thereto, for each mile actually traveled during the school year

17 in connection with duties in providing special education or related services

18 for exceptional children; Such reimbursement shall be computed by the

19 state board by ascertaining the actual travel allowances paid to special

20 teachers by the school district for the school year and shall be in an

21 amount equal to 80% of such actual travel allowances;

22 (2) reimbursement in an amount equal to 80% of the actual travel

23 expenses incurred for providing transportation for exceptional children to

24 special education or related services;

25 (3) reimbursement in an amount equal to 80% of the actual expenses

26 incurred for the maintenance of an exceptional child at some place other

27 than the residence of such child for the purpose of providing special

28 education or related services; Such reimbursement shall not exceed \$600

29 per exceptional child per school year; and

30 (4) (A) ~~except for those school districts entitled to~~ *that* receive

31 reimbursement under subsection (c) or (d), after subtracting the amounts of

32 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total

33 amount appropriated for special education and related services under this

34 act, an amount which bears the same proportion to the remaining amount

35 appropriated as the number of full-time equivalent special teachers who

36 are qualified to provide special education or related services to exceptional

37 children and are employed by the school district for approved special

38 education or related services bears to the total number of such qualified

39 full-time equivalent special teachers employed by all school districts for

40 approved special education or related services.

41 (B) Each special teacher who is qualified to assist in the provision of

42 special education or related services to exceptional children shall be

43 counted as  $\frac{2}{5}$  full-time equivalent special teacher who is qualified to

1 provide special education or related services to exceptional children.

2 (C) For purposes of this subsection (b)(4), a special teacher, qualified  
3 to assist in the provision of special education and related services to  
4 exceptional children, who assists in providing special education and  
5 related services to exceptional children at either the state school for the  
6 blind or the state school for the deaf and whose services are paid for by a  
7 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments  
8 thereto, shall be considered a special teacher of such school district.

9 (c) Each school district which has paid amounts for the provision of  
10 special education and related services under an interlocal agreement shall  
11 ~~be entitled to~~ receive reimbursement under subsection (b)(4). The amount  
12 of such reimbursement for the *school* district shall be the amount which  
13 bears the same relation to the aggregate amount available for  
14 reimbursement for the provision of special education and related services  
15 under the interlocal agreement, as the amount paid by such *school* district  
16 in the current school year for provision of such special education and  
17 related services bears to the aggregate of all amounts paid by all school  
18 districts in the current school year who have entered into such interlocal  
19 agreement for provision of such special education and related services.

20 (d) Each contracting school district which has paid amounts for the  
21 provision of special education and related services as a member of a  
22 cooperative shall ~~be entitled to~~ receive reimbursement under subsection (b)  
23 (4). The amount of such reimbursement for the *school* district shall be the  
24 amount which bears the same relation to the aggregate amount available  
25 for reimbursement for the provision of special education and related  
26 services by the cooperative, as the amount paid by such *school* district in  
27 the current school year for provision of such special education and related  
28 services bears to the aggregate of all amounts paid by all contracting  
29 school districts in the current school year by such cooperative for  
30 provision of such special education and related services.

31 (e) No time spent by a special teacher in connection with duties  
32 performed under a contract entered into by the Kansas juvenile  
33 correctional complex, ~~the Atchison juvenile correctional facility,~~ the  
34 Larned juvenile correctional facility; or the Topeka juvenile correctional  
35 facility and a school district for the provision of special education services  
36 by such state institution shall be counted in making computations under  
37 this section.

38 (f) There is hereby established in every school district a fund which  
39 shall be called the special education fund, which fund shall consist of all  
40 moneys deposited therein or transferred thereto according to law.  
41 Notwithstanding any other provision of law, all moneys received by the  
42 school district from whatever source for special education shall be credited  
43 to the special education fund established by this section, except that: (1)

1 Amounts of payments received by a school district under K.S.A. 72-979,  
2 and amendments thereto, and amounts of grants, if any, received by a  
3 school district under K.S.A. 72-983, and amendments thereto, shall be  
4 deposited in the general fund of the district and transferred to the special  
5 education fund; and (2) moneys received by a school district pursuant to  
6 lawful agreements made under K.S.A. 72-968, and amendments thereto,  
7 shall be credited to the special education fund established under the  
8 agreements.

9 (g) The expenses of a school district directly attributable to special  
10 education shall be paid from the special education fund and from special  
11 funds established under K.S.A. 72-968, and amendments thereto.

12 (h) Obligations of a school district pursuant to lawful agreements  
13 made under K.S.A. 72-968, and amendments thereto, shall be paid from  
14 the special education fund established by this section.

15 Sec. 59. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as  
16 follows: 72-1046b. (a) As used in this section:

17 (1) "School district" means a school district organized and operating  
18 under the laws of this state and no part of which is located in Johnson  
19 county, Sedgwick county, Shawnee county or Wyandotte county.

20 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and  
21 in attendance at a school located in a district in which such pupil is not a  
22 resident and who: (A) Lives  $2\frac{1}{2}$  or more miles from the attendance center  
23 the pupil would attend in the district in which the pupil resides and is not a  
24 resident of Johnson county, Sedgwick county, Shawnee county or  
25 Wyandotte county; or (B) is a member of the family of a pupil meeting the  
26 condition prescribed in ~~subpart~~ *subparagraph* (A).

27 (3) "Member of the family" means a brother or sister of the whole or  
28 half blood or by adoption, a stepbrother or stepsister, and a foster brother  
29 or foster sister.

30 (b) The board of education of any school district may allow any pupil  
31 who is not a resident of the district to enroll in and attend school in such  
32 district. The board of education of such district may furnish or provide  
33 transportation to any non-resident pupil who is enrolled in and attending  
34 school in the district pursuant to this section. If the district agrees to  
35 furnish or provide transportation to a non-resident pupil, such  
36 transportation shall be furnished or provided until the end of the school  
37 year. Prior to providing or furnishing transportation to a non-resident  
38 pupil, the district shall notify the board of education of the district in  
39 which the pupil resides that transportation will be furnished or provided.

40 (c) Pupils attending school in a school district in which the pupil does  
41 not reside pursuant to this section shall be counted as regularly enrolled in  
42 and attending school in the district where the pupil is enrolled for the  
43 purpose of computations under the ~~classroom learning assuring student~~

1 success act, K.S.A. 2016 Supp. 72-6463 et seq. *Kansas school equity and*  
2 *enhancement act, section 3 et seq.*, and amendments thereto, *except*  
3 *computation of transportation weighting under such act*, and for the  
4 purposes of the statutory provisions contained in article 83 of chapter 72 of  
5 the Kansas Statutes Annotated, and amendments thereto. Such non-  
6 resident pupil shall not be charged for the costs of attendance at school.

7 ~~(d) Any pupil who was not a resident of the district in school year~~  
8 ~~2014-2015, but was allowed to enroll in and attend school in such district~~  
9 ~~in school year 2014-2015 by the board of education of such district and~~  
10 ~~any member of the family of such pupil regardless of whether such family~~  
11 ~~member enrolled in and attended school in such district in school year~~  
12 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~  
13 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~  
14 ~~pupil or family member of such pupil is a resident of the district in either~~  
15 ~~school year, provided such pupil or such pupil's family member is in~~  
16 ~~compliance with any attendance and behavior policies of the district. If~~  
17 ~~transportation was furnished or provided to such pupil in school year~~  
18 ~~2014-2015 by the district, then transportation shall be furnished or~~  
19 ~~provided by the district to such pupil and any family member of such pupil~~  
20 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~  
21 ~~such pupil's residence and no requirement for the district to furnish~~  
22 ~~transportation to any additional residence.~~

23 Sec. 60. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as  
24 follows: 72-1398. (a) The national board for professional teaching  
25 standards certification incentive program is hereby established for the  
26 purpose of rewarding teachers who have attained certification from the  
27 national board. Teachers who have attained certification from the national  
28 board shall be issued a master teacher's license by the state board of  
29 education. A master teacher's license shall be valid for 10 years and  
30 renewable thereafter every 10 years through compliance with continuing  
31 education and professional development requirements prescribed by the  
32 state board. Teachers who have attained certification from the national  
33 board and who are employed by a school district shall be paid an incentive  
34 bonus in the amount of \$1,000 each school year that the teacher remains  
35 employed by a school district and retains a valid master teacher's license.

36 (b) The board of education of each school district employing one or  
37 more national board certified teachers shall pay the incentive bonus to  
38 each such teacher in each school year that the teacher retains eligibility for  
39 such payment. Each board of education which has made payments of  
40 incentive bonuses to national board certified teachers under this subsection  
41 may file an application with the state board of education for state aid and  
42 shall certify to the state board the amount of such payments. The  
43 application and certification shall be on a form prescribed and furnished by



1 the state board, shall contain such information as the state board shall  
2 require and shall be filed at the time specified by the state board.

3 (c) In each school year, each school district employing one or more  
4 national board certified teachers is entitled to receive from appropriations  
5 for the national board for professional teaching standards certification  
6 incentive program an amount which is equal to the amount certified to the  
7 state board of education in accordance with the provisions of subsection  
8 (b). The state board shall certify to the director of accounts and reports the  
9 amount due each school district. The director of accounts and reports shall  
10 draw warrants on the state treasurer payable to the treasurer of each school  
11 district entitled to payment under this section upon vouchers approved by  
12 the state board.

13 (d) Moneys received by a board of education under this section shall  
14 be deposited in the general fund of the school district and shall be  
15 considered reimbursements to the district for the purpose of the ~~classroom~~  
16 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*  
17 *school equity and enhancement act, section 3* et seq., and amendments  
18 thereto, and may be expended whether the same have been budgeted or  
19 not.

20 (e) The state board of education is authorized to provide scholarships  
21 of \$1,100 each to teachers who are accepted to participate in the national  
22 board for professional teaching standards program for initial certification.  
23 The state board of education is authorized to provide scholarships of \$500  
24 each to teachers who are accepted to participate in the national board for  
25 professional teaching standards program for renewal of certification. Any  
26 teacher who has been accepted to participate in such program may file an  
27 application with the state board of education for a scholarship. The  
28 application shall be on a form prescribed and furnished by the state board,  
29 shall contain such information as the state board shall require and shall be  
30 filed at the time specified by the state board.

31 (f) As used in this section, the term "school district" means any  
32 school district organized and operating under the laws of this state.

33 Sec. 61. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as  
34 follows: 72-1414. (a) On or before January 1, 2001, the state board of  
35 education shall adopt rules and regulations for the administration of  
36 mentor teacher programs and shall:

37 (1) Establish standards and criteria for evaluating and approving  
38 mentor teacher programs and applications of school districts for grants;

39 (2) evaluate and approve mentor teacher programs;

40 (3) establish criteria for determination of exemplary teaching ability  
41 of certificated teachers for qualification as mentor teachers;

42 (4) prescribe guidelines for the selection by boards of education of  
43 mentor teachers and for the provision by boards of education of training

1 programs for mentor teachers;

2 (5) be responsible for awarding grants to school districts; and

3 (6) request of and receive from each school district which is awarded  
4 a grant for maintenance of a mentor teacher program reports containing  
5 information with regard to the effectiveness of the program.

6 (b) Subject to the availability of appropriations for mentor teacher  
7 programs maintained by school districts, and within the limits of any such  
8 appropriations, the state board of education shall determine the amount of  
9 grants to be awarded school districts by multiplying an amount not to  
10 exceed \$1,000 by the number of mentor teachers participating in the  
11 program maintained by a school district. The product is the amount of the  
12 grant to be awarded to the district. Upon receipt of a grant of state moneys  
13 for maintenance of a mentor teacher program, the amount of the grant shall  
14 be deposited in the general fund of the school district. Moneys deposited in  
15 the general fund of a school district under this subsection shall be  
16 considered reimbursements for the purpose of the ~~classroom learning~~  
17 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school*  
18 *equity and enhancement act, section 3* et seq., and amendments thereto.  
19 The full amount of the grant shall be allocated among the mentor teachers  
20 employed by the school district so as to provide a mentor teacher with an  
21 annual stipend in an amount not to exceed \$1,000. Such annual stipend  
22 shall be over and above the regular salary to which the mentor teacher is  
23 entitled for the school year.

24 Sec. 62. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as  
25 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,  
26 and amendments thereto, the board of education of any school district may  
27 apply to the state board for a grant of authority to operate such school  
28 district as a public innovative district. The application shall be submitted in  
29 the form and manner prescribed by the state board, and shall be submitted  
30 not later than December 1 of the school year preceding the school year in  
31 which the school district intends to operate as a public innovative district.

32 (b) The application shall include the following:

33 (1) A description of the educational programs of the public innovative  
34 district;

35 (2) a description of the interest and support for partnerships between  
36 the public innovative district, parents and the community;

37 (3) the specific goals and the measurable pupil outcomes to be  
38 obtained by operating as a public innovative district; and

39 (4) an explanation of how pupil performance in achieving the  
40 specified outcomes will be measured, evaluated and reported.

41 (c) (1) Within 90 days from the date such application is submitted, the  
42 state board shall review the application to determine compliance with this  
43 section, and shall approve or deny such application on or before the

1 conclusion of such 90-day period. If the application is determined to be in  
2 compliance with this section, the state board shall approve such  
3 application and grant the school district authority to operate as a public  
4 innovative district. Notification of such approval shall be sent to the board  
5 of education of such school district within 10 days after such decision.

6 (2) If the state board determines such application is not in compliance  
7 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments  
8 thereto, the state board shall deny such application. Notification of such  
9 denial shall be sent to the board of education of such school district within  
10 10 days after such decision and shall specify the reasons therefor. Within  
11 30 days from the date such notification is sent, the board of education of  
12 such school district may submit a request to the state board for  
13 reconsideration of the application and may submit an amended application  
14 with such request. The state board shall act on the request for  
15 reconsideration within 60 days of receipt of such request.

16 (d) A public innovative district shall:

17 (1) Not charge tuition for any of the pupils residing within the public  
18 innovative district;

19 (2) participate in all Kansas math and reading assessments applicable  
20 to such public innovative district, or an alternative assessment program for  
21 measuring student progress as determined by the board of education;

22 (3) abide by all financial and auditing requirements that are  
23 applicable to school districts, except that a public innovative district may  
24 use generally accepted accounting principles;

25 (4) comply with all applicable health, safety and access laws; and

26 (5) comply with all statements set forth in the application submitted  
27 pursuant to subsection (a).

28 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921  
29 through 72-1930, and amendments thereto, or as required by the board of  
30 education of the public innovative district, a public innovative district shall  
31 be exempt from all laws and rules and regulations that are applicable to  
32 school districts.

33 (2) A public innovative district shall be subject to the special  
34 education for exceptional children act, the virtual school act, the ~~classroom~~  
35 ~~learning assuring student success act~~, ~~K.S.A. 2016 Supp. 72-6463~~ *Kansas*  
36 *school equity and enhancement act, section 3* et seq., and amendments  
37 thereto, the provisions of K.S.A. 72-8801 et seq., and amendments thereto,  
38 all laws governing the issuance of general obligation bonds by school  
39 districts, the provisions of K.S.A. 74-4901 et seq., and amendments  
40 thereto, and all laws governing the election of members of the board of  
41 education, the open meetings act as provided in K.S.A. 75-4317 et seq.,  
42 and amendments thereto, and the open records act as provided in K.S.A.  
43 45-215 et seq., and amendments thereto.

1       Sec. 63. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as  
2 follows: 72-3712. As used in the virtual school act:

3       (a) "Virtual school" means any school or educational program that:  
4 (1) Is offered for credit; (2) uses distance-learning technologies which  
5 predominately use internet-based methods to deliver instruction; (3)  
6 involves instruction that occurs asynchronously with the teacher and ~~pupil~~  
7 *student* in separate locations; (4) requires the ~~pupil student~~ to make  
8 academic progress toward the next grade level and matriculation from  
9 kindergarten through high school graduation; (5) requires the ~~pupil student~~  
10 to demonstrate competence in subject matter for each class or subject in  
11 which the ~~pupil student~~ is enrolled as part of the virtual school; and (6)  
12 requires age-appropriate ~~pupils students~~ to complete state assessment tests.

13       (b) "School district" means any school district which offers a virtual  
14 school.

15       (c) Except as provided by the virtual school act, words and phrases  
16 shall have the meanings ascribed thereto in ~~K.S.A. 2016 Supp. 72-6464~~  
17 *section 4*, and amendments thereto.

18       Sec. 64. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as  
19 follows: 72-3715. (a) In order to be included in the full-time equivalent  
20 enrollment of a virtual school, a ~~pupil student~~ shall be in attendance at the  
21 virtual school on: (1) A single school day on or before September 19 of  
22 each school year; and (2) on a single school day on or after September 20,  
23 but before October 4 of each school year.

24       (b) A school district which offers a virtual school shall determine the  
25 full-time equivalent enrollment of each ~~pupil student~~ enrolled in the virtual  
26 school on September 20 of each school year as follows:

27       (1) Determine the number of hours the ~~pupil student~~ was in  
28 attendance on a single school day on or before September 19 of each  
29 school year;

30       (2) determine the number of hours the ~~pupil student~~ was in attendance  
31 on a single school day on or after September 20, but before October 4 of  
32 each school year;

33       (3) add the numbers obtained under ~~paragraphs subsections (b)(1) and~~  
34 *(b)(2)*;

35       (4) divide the sum obtained under ~~paragraph subsection (b)(3)~~ by 12.  
36 The quotient is the full-time equivalent enrollment of the ~~pupil student~~.

37       (c) The school days on which a district determines the full-time  
38 equivalent enrollment of a ~~pupil student~~ under subsections (b)(1) and (2)  
39 shall be the school days on which the ~~pupil student~~ has the highest number  
40 of hours of attendance at the virtual school. No more than six hours of  
41 attendance may be counted in a single school day. Attendance may be  
42 shown by a ~~pupil's student's~~ on-line activity or entries in the ~~pupil's~~  
43 *student's* virtual school journal or log of activities.

1 (d) Subject to the availability of appropriations and within the limits  
2 of any such appropriations, each school year a school district which offers  
3 a virtual school shall receive virtual school state aid. The state board of  
4 education shall determine the amount of virtual school state aid a school  
5 district is to receive as follows:

6 (1) ~~For school year 2015-2016:~~

7 (A) ~~Determine the number of pupils students enrolled in virtual~~  
8 ~~school on a full-time basis, excluding those pupils students who are over~~  
9 ~~18 19 years of age, and multiply the total number of such pupils students~~  
10 ~~by \$5,000;~~

11 (B) ~~(2) determine the full-time equivalent enrollment of pupils~~  
12 ~~students enrolled in virtual school on a part-time basis, excluding those~~  
13 ~~pupils who are over 18 19 years of age, and multiply the total full-time~~  
14 ~~equivalent enrollment of such pupils by \$4,045 students by \$1,700;~~

15 (C) ~~(3) for pupils students enrolled in a virtual school who are over~~  
16 ~~18 19 years of age, determine the number of one-hour credit courses such~~  
17 ~~pupils students have passed, not to exceed six credit courses per school~~  
18 ~~year, and multiply the total number of such courses by \$933 \$709; and~~

19 (D) ~~(4) add the amounts calculated under subsections (d)(1)(A)~~  
20 ~~through (d)(1)(C) (4). The resulting sum is the amount of virtual school~~  
21 ~~state aid the school district shall receive.~~

22 (2) ~~For school year 2016-2017:~~

23 (A) ~~Determine the number of pupils enrolled in virtual school on a~~  
24 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~  
25 ~~multiply the total number of such pupils by \$5,600;~~

26 (B) ~~determine the full-time equivalent enrollment of pupils enrolled~~  
27 ~~in virtual school on a part-time basis, excluding those pupils who are over~~  
28 ~~18 years of age, and multiply the total full-time equivalent enrollment of~~  
29 ~~such pupils by \$1,700;~~

30 (C) ~~for pupils enrolled in a virtual school who are over 18 years of~~  
31 ~~age, determine the number of one-hour credit courses such pupils have~~  
32 ~~passed and multiply the total number of such courses by \$933; and~~

33 (D) ~~add the amounts calculated under subsections (d)(2)(A) through~~  
34 ~~(d)(2)(C). The resulting sum is the amount of virtual school state aid the~~  
35 ~~school district shall receive.~~

36 (3) ~~For purposes of this subsection:~~

37 (A) ~~"Full-time" means attendance in a virtual school for no less than~~  
38 ~~six hours as determined pursuant to subsection (b).~~

39 (B) ~~"Part-time" means attendance in a virtual school for less than six~~  
40 ~~hours as determined pursuant to subsection (b).~~

41 (e) (1) There is hereby established in every school district a fund  
42 which shall be called the virtual school fund, which fund shall consist of  
43 all moneys deposited therein or transferred thereto according to law. The

1 expenses of a school district directly attributable to virtual schools offered  
2 by a school district may be paid from the virtual school fund. The cost of  
3 an advance placement course provided to a ~~pupil~~ *student* by a virtual  
4 school shall be paid by the virtual school. ~~Amounts deposited in the virtual~~  
5 ~~school fund may be transferred to the general fund of the school district as~~  
6 ~~approved by the board of education~~ *Moneys deposited in or otherwise*  
7 *transferred to the virtual school fund shall only be expended for those*  
8 *costs directly attributable to the provision of virtual instruction.*

9 (2) Any balance remaining in the virtual school fund at the end of the  
10 budget year shall be carried forward into the virtual school fund for  
11 succeeding budget years. Such fund shall not be subject to the provisions  
12 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

13 (3) In preparing the budget of such school district, the amounts  
14 credited to and the amount on hand in the virtual school fund, and the  
15 amount expended therefrom shall be included in the annual budget for the  
16 information of the residents of the school district. Interest earned on the  
17 investment of moneys in any such fund shall be credited to that fund.

18 (f) For the purposes of this section, a ~~pupil~~ *student* enrolled in a  
19 virtual school who is not a resident of the state of Kansas shall not be  
20 counted in the full-time equivalent enrollment of the virtual school. The  
21 virtual school shall record the permanent address of any ~~pupil~~ *student*  
22 enrolled in such virtual school.

23 (g) *For purposes of this section:*

24 (A) *"Full-time" means attendance in a virtual school for no less than*  
25 *six hours as determined pursuant to subsection (b).*

26 (B) *"Part-time" means attendance in a virtual school for less than six*  
27 *hours as determined pursuant to subsection (b).*

28 Sec. 65. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as  
29 follows: 72-5333b. (a) The unified school district maintaining and  
30 operating a school on the Fort Leavenworth military reservation, being  
31 unified school district No. 207 of Leavenworth county, state of Kansas,  
32 shall have a governing body, which shall be known as the "Fort  
33 Leavenworth school district board of education" and which shall consist of  
34 three members who shall be appointed by, and serve at the pleasure of the  
35 commanding general of Fort Leavenworth. One member of the board shall  
36 be the president and one member shall be the vice-president. The  
37 commanding general, when making any appointment to the board, shall  
38 designate which of the offices the member so appointed shall hold. Except  
39 as otherwise expressly provided in this section, the district board and the  
40 officers thereof shall have and may exercise all the powers, duties,  
41 authority and jurisdiction imposed or conferred by law on unified school  
42 districts and boards of education thereof, except such school district shall  
43 not offer or operate any of grades 10 through 12.

1 (b) The board of education of the school district shall not have the  
2 power to issue bonds.

3 (c) Except as otherwise expressly provided in this subsection, the  
4 provisions of the ~~classroom learning assuring student success act, K.S.A.~~  
5 ~~2016 Supp. 72-6463~~ *Kansas school equity and enhancement act, section 3*  
6 *et seq.*, and amendments thereto, apply to the school district. *As applied to*  
7 *the school district, the terms "local foundation aid" and "federal impact*  
8 *aid" shall not include any moneys received by the school district under*  
9 *subsection (3)(d)(2)(b) of public law 81-874.* Any such moneys received  
10 by the school district shall be deposited in the general fund of the school  
11 district or, at the discretion of the board of education, in the capital outlay  
12 fund of the school district.

13 Sec. 66. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as  
14 follows: 72-64b01. (a) No school district shall expend, use or transfer any  
15 moneys from the general fund of the district for the purpose of engaging in  
16 or supporting in any manner any litigation by the school district or any  
17 person, association, corporation or other entity against the state of Kansas,  
18 the state board of education, the state department of education, other state  
19 agency or any state officer or employee regarding *the Kansas school*  
20 *equity and enhancement act or any other law concerning school finance.*  
21 No such moneys shall be paid, donated or otherwise provided to any  
22 person, association, corporation or other entity and used for the purpose of  
23 any such litigation.

24 (b) Nothing in *section 15, and amendments thereto, or this section*  
25 *shall be construed as prohibiting the expenditure, use or transfer of*  
26 *moneys from that portion of the proceeds of any tax levied by a school*  
27 *district pursuant to K.S.A. 2016 Supp. 72-6472 section 19, and*  
28 *amendments thereto, that was levied to finance a school district's local*  
29 *foundation budget, for the purposes specified in subsection (a).*

30 Sec. 67. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as  
31 follows: 72-64c03. The appropriation of moneys necessary to pay general  
32 state aid and supplemental general state aid under the ~~classroom learning~~  
33 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school*  
34 *equity and enhancement act, section 3 et seq.*, and amendments thereto,  
35 and state aid for the provision of special education and related services  
36 under the special education for exceptional children act shall be given first  
37 priority in the legislative budgeting process and shall be paid first from  
38 existing state revenues.

39 Sec. 68. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as  
40 follows: 72-64c05. Article 6 of the constitution of the state of Kansas  
41 states that the legislature shall provide for intellectual, educational,  
42 vocational and scientific improvement by establishing and maintaining  
43 public schools; provide for a state board of education having general

1 supervision of public schools, educational institutions and the educational  
2 interests of the state, except those delegated by law to the state board of  
3 regents; and make suitable provision for finance of the educational  
4 interests of the state. It is the purpose and intention of the legislature to  
5 provide a financing system for the education of kindergarten and grades  
6 one through 12 which provides students with the capacities set forth in  
7 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing  
8 system shall be sufficiently flexible for the legislature to consider and  
9 utilize financing methods from all available resources in order to satisfy  
10 the constitutional requirements under article 6. Such financing methods  
11 shall include, but are not limited to, the following:

12 (a) Federal funding to unified school districts or public schools,  
13 including any grants or federal assistance;

14 (b) subject to appropriations by the legislature, appropriations of state  
15 moneys for the improvement of public education, including, but not  
16 limited to, the following:

17 (1) Financing to unified school districts through the ~~classroom-~~  
18 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*  
19 *school equity and enhancement act, section 3* et seq., and amendments  
20 thereto;

21 (2) financing to unified school districts through any provisions which  
22 provide state aid, such as capital improvements state aid, capital outlay  
23 state aid and any other state aid paid, distributed or allocated to school  
24 districts on the basis of the assessed valuation of school districts;

25 (3) employer contributions to the Kansas public employees retirement  
26 system for public schools;

27 (4) appropriations to the Kansas children's cabinet for programs  
28 serving students enrolled in unified school districts in meeting the goal  
29 specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

30 (5) appropriations to any programs which provide early learning to  
31 four-year-old children with the purpose of preparing them for success in  
32 public schools;

33 (6) appropriations to any programs, such as communities in schools,  
34 which provide individualized support to students enrolled in unified school  
35 districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and  
36 amendments thereto;

37 (7) transportation financing, including any transfers from the state  
38 general fund and state highway fund to the state department of education  
39 to provide technical education transportation, special education  
40 transportation or school bus safety;

41 (8) financing to other facilities providing public education to students,  
42 such as the Kansas state school for the blind, the Kansas state school for  
43 the deaf, school district juvenile detention facilities and the Flint Hills job



1 corps center;

2 (9) appropriations relating to the Kansas academy of mathematics and  
3 science;

4 (10) appropriations relating to teaching excellence, such as  
5 scholarships, awards, training or in-service workshops;

6 (11) appropriations to the state board of regents to provide technical  
7 education incentives to unified school districts and tuition costs to  
8 postsecondary institutions which provide career technical education to  
9 secondary students; and

10 (12) appropriations to any postsecondary educational institution  
11 which provides postsecondary education to a secondary student without  
12 charging tuition to such student;

13 (c) any provision which authorizes the levying of local taxes for the  
14 purpose of financing public schools; and

15 (d) any transfer of funds or appropriations from one object or fund to  
16 another approved by the legislature for the purpose of financing public  
17 schools.

18 Sec. 69. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as  
19 follows: 72-6622. In the event that all of the property acquired by any two  
20 cities under the provisions of K.S.A. 3-404 et seq., and amendments  
21 thereto, is included within the territory of a unified school district in which  
22 only one of such cities is located:

23 (a) One-half of the assessed valuation of such property shall be  
24 assigned to each of the two school districts in which such cities are located  
25 for the purposes of determining the assessed valuation of each district for  
26 ~~entitlement to:~~ (1) *Supplemental state aid under section 17, and*  
27 *amendments thereto; and (2) payment from the school district capital*  
28 *improvements fund under K.S.A. 75-2319, and amendments thereto;*

29 (b) The revenue to be received by each district under subsection (c)  
30 shall be used as a receipt by such district in computing its ad valorem tax  
31 requirement for each tax levy fund; and

32 (c) Such property shall be subject to taxation for school purposes at a  
33 rate equal to the aggregate of all rates imposed for school purposes upon  
34 property located within the school district in which such property is  
35 located, but one-half of the proceeds derived from such levy shall be  
36 allocated to each of the two school districts in which such cities are  
37 located.

38 Sec. 70. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as  
39 follows: 72-6624. (a) As used in this section:

40 (1) "School district" means unified school district No. 404, unified  
41 school district No. 493, unified school district No. 499 and unified school  
42 district No. 508.

43 (2) "Property" means any property, and improvements thereon,

1 comprising a racetrack gaming facility or lottery gaming facility under the  
2 Kansas expanded lottery act located in Cherokee county.

3 (3) "State aid" means general state aid, *supplemental state aid*, capital  
4 improvements state aid, capital outlay state aid and any other state aid  
5 paid, distributed or allocated to school districts under the ~~classroom-~~  
6 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*  
7 *school equity and enhancement act, section 3* et seq., and amendments  
8 thereto, or other law, and any other state aid paid, distributed or allocated  
9 to school districts on the basis of the assessed valuation of school districts.

10 (b) For the purposes of computing the assessed valuation of school  
11 districts for the payment, distribution or allocation of state aid and the  
12 levying of school taxes,  $\frac{1}{4}$  of the assessed valuation of such property shall  
13 be assigned to each of the school districts.

14 (c) The provisions of this section shall not apply if the property is not  
15 or ceases to be used as a racetrack gaming facility or lottery gaming  
16 facility under the Kansas expanded lottery act.

17 Sec. 71. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as  
18 follows: 72-6625. (a) As used in this section:

19 (1) "School district" means unified school district No. 507 and  
20 unified school district No. 374.

21 (2) "Property" means the following described property, and  
22 improvements thereon, comprised of 1,120 acres, more or less, located in  
23 Haskell county: All of Section 34, Township 29 South, Range 33 West and  
24 the West  $\frac{1}{2}$  of Section 3, Township 30 South, Range 33 West and the  
25 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

26 (3) "State aid" means general state aid, *supplemental state aid*, capital  
27 improvements state aid, capital outlay state aid and any other state aid  
28 paid, distributed or allocated to school districts under the ~~classroom-~~  
29 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*  
30 *school equity and enhancement act, section 3* et seq., and amendments  
31 thereto, or other law, and any other state aid paid, distributed or allocated  
32 to school districts on the basis of the assessed valuation of school districts.

33 (b) For the purposes of computing the assessed valuation of school  
34 districts for the payment, distribution or allocation of state aid and the  
35 levying of school taxes,  $\frac{1}{2}$  of the assessed valuation of such property shall  
36 be assigned to each of the school districts.

37 (c) The provisions of this section shall not apply if the property is not  
38 or ceases to be used for the production of ethanol.

39 Sec. 72. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as  
40 follows: 72-6757. (a) As used in this section:

41 (1) "Receiving school district" means a school district of  
42 nonresidence of a pupil who attends school in such school district.

43 (2) "Sending school district" means a school district of residence of a

1 pupil who attends school in a school district not of the pupil's residence.

2 (b) The board of education of any school district may make and enter  
3 into contracts with the board of education of any receiving school district  
4 located in this state for the purpose of providing for the attendance of  
5 pupils at school in the receiving school district.

6 (c) The board of education of any school district may make and enter  
7 into contracts with the governing authority of any accredited school  
8 district located in another state for the purpose of providing for the  
9 attendance of pupils from this state at school in such other state or for the  
10 attendance of pupils from such other state at school in this state.

11 (d) Pupils attending school in a receiving school district in  
12 accordance with a contract authorized by this section and made and  
13 entered into by such receiving school district with a sending school district  
14 located in this state shall be counted as regularly enrolled in and attending  
15 school in the sending school district for the purpose of computations under  
16 ~~the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
17 ~~6463 Kansas school equity and enhancement act, section 3 et seq., and~~  
18 ~~amendments thereto.~~

19 (e) Any contract made and entered into under authority of this section  
20 is subject to the following conditions:

21 (1) The contract shall be for the benefit of pupils who reside at  
22 inconvenient or unreasonable distances from the schools maintained by the  
23 sending school district or for pupils who, for any other reason deemed  
24 sufficient by the board of education of the sending school district, should  
25 attend school in a receiving school district;

26 (2) the contract shall make provision for the payment of tuition by the  
27 sending school district to the receiving school district;

28 (3) if a sending school district is located in this state and the receiving  
29 school district is located in another state, the amount of tuition provided to  
30 be paid for the attendance of a pupil or pupils at school in the receiving  
31 school district shall not exceed  $\frac{1}{2}$  of the amount of the budget per pupil of  
32 the sending school district under ~~the classroom learning assuring student~~  
33 ~~success act, K.S.A. 2016 Supp. 72-6463 Kansas school equity and~~  
34 ~~enhancement act, section 3 et seq., and amendments thereto, for the~~  
35 ~~current school year; and~~

36 (4) the contract shall make provision for transportation of pupils to  
37 and from the school attended on every school day.

38 (f) Amounts received pursuant to contracts made and entered into  
39 under authority of this section by a school district located in this state for  
40 enrollment and attendance of pupils at school in regular educational  
41 programs shall be deposited in the general fund of the school district.

42 (g) The provisions of subsection (e)(3) do not apply to unified school  
43 district No. 404, ~~Jewell county 107, Rock Hills.~~

1 (h) The provisions of this section do not apply to contracts made and  
2 entered into under authority of the special education for exceptional  
3 children act.

4 (i) The provisions of this section are deemed to be alternative to the  
5 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure  
6 or authorization under K.S.A. 72-8233, and amendments thereto, shall be  
7 limited by the provisions of this section.

8 Sec. 73. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as  
9 follows: 72-67,115. (a) The board of education of any school district may:

10 (1) Offer and teach courses and conduct preschool programs for  
11 children under the age of eligibility to attend kindergarten.

12 (2) Enter into cooperative or interlocal agreements with one or more  
13 other boards for the establishment, operation and maintenance of such  
14 preschool programs.

15 (3) Contract with private, nonprofit corporations or associations or  
16 with any public or private agency or institution, whether located within or  
17 outside the state, for the establishment, operation and maintenance of such  
18 preschool programs.

19 (4) Prescribe and collect fees for providing such preschool programs.

20 (b) Fees for providing preschool programs shall be prescribed and  
21 collected only to recover the costs incurred as a result of and directly  
22 attributable to the establishment, operation and maintenance of the  
23 preschool programs. Revenues from fees collected by a board under this  
24 section shall be deposited in the general fund of the school district and  
25 shall be considered reimbursements to the district for the purpose of the  
26 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
27 ~~6463~~ *Kansas school equity and enhancement act, section 3* et seq., and  
28 amendments thereto, and may be expended whether the same have been  
29 budgeted or not and amounts so expended shall not be considered  
30 operating expenses.

31 Sec. 74. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as  
32 follows: 72-7535. (a) In order to equip students with the knowledge and  
33 skills needed to become self-supporting and to enable students to make  
34 critical decisions regarding personal finances, the state board of education  
35 shall authorize and assist in the implementation of programs on teaching  
36 personal financial literacy.

37 (b) The state board of education shall develop a curriculum, materials  
38 and guidelines that local boards of education and governing authorities of  
39 accredited nonpublic schools may use in implementing the program of  
40 instruction on personal financial literacy. The state board of education  
41 shall adopt a glossary of personal financial literacy terms which shall be  
42 used by school districts when implementing the program on personal  
43 financial literacy.

1 (c) The state board of education shall develop state curriculum  
2 standards for personal financial literacy, for all grade levels, within the  
3 existing mathematics curriculum or another appropriate subject-matter  
4 curriculum.

5 (d) The state board of education shall encourage school districts when  
6 selecting textbooks for mathematics, economics, family and consumer  
7 science, accounting or other appropriate courses, to select those textbooks  
8 which contain substantive provisions on personal finance, including  
9 personal budgeting, credit, debt management and other topics concerning  
10 personal financial literacy.

11 (e) The state board of education shall include questions relating to  
12 personal financial literacy in the statewide assessments for mathematics or  
13 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 45*, and  
14 amendments thereto. When the statewide assessments for mathematics or  
15 social studies are reviewed or rewritten, the state board of education shall  
16 examine the questions relating to personal financial literacy and rewrite  
17 such questions in order to determine if programs on personal financial  
18 literacy are equipping students with the knowledge and skills needed to  
19 become self-supporting and enabling students to make critical decisions  
20 regarding personal finances.

21 Sec. 75. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as  
22 follows: 72-8187. (a) In each school year, to the extent that appropriations  
23 are available, each school district which has provided educational services  
24 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
25 psychiatric residential treatment facility or for pupils confined in a juvenile  
26 detention facility is eligible to receive a grant of state moneys in an  
27 amount to be determined by the state board of education.

28 (b) In order to be eligible for a grant of state moneys provided for by  
29 this section, each school district which has provided educational services  
30 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
31 psychiatric residential treatment facility or for pupils confined in a juvenile  
32 detention facility shall submit to the state board of education an  
33 application for a grant and shall certify the amount expended, and not  
34 reimbursed or otherwise financed, in the school year for the services  
35 provided. The application and certification shall be prepared in such form  
36 and manner as the state board shall require and shall be submitted at a time  
37 to be determined and specified by the state board. Approval by the state  
38 board of applications for grants of state moneys is prerequisite to the  
39 award of grants.

40 (c) Each school district which is awarded a grant under this section  
41 shall make such periodic and special reports of statistical and financial  
42 information to the state board as it may request.

43 (d) All moneys received by a school district under authority of this

1 section shall be deposited in the general fund of the school district and  
2 shall be considered reimbursement of the district for the purpose of the  
3 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
4 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq.*, and  
5 amendments thereto.

6 (e) The state board of education shall approve applications of school  
7 districts for grants, determine the amount of grants and be responsible for  
8 payment of grants to school districts. In determining the amount of a grant  
9 which a school district is eligible to receive, the state board shall compute  
10 the amount of state financial aid the district would have received on the  
11 basis of enrollment of pupils residing at the Flint Hills job corps center,  
12 housed at a psychiatric residential treatment facility or confined in a  
13 juvenile detention facility if such pupils had been counted as two pupils  
14 under the school district finance and quality performance act and compare  
15 such computed amount to the amount certified by the district under  
16 subsection (b). The amount of the grant the district is eligible to receive  
17 shall be an amount equal to the lesser of the amount computed under this  
18 subsection or the amount certified under subsection (b). If the amount of  
19 appropriations for the payment of grants under this section is insufficient  
20 to pay in full the amount each school district is determined to be eligible to  
21 receive for the school year, the state board shall prorate the amount  
22 appropriated among all school districts which are eligible to receive grants  
23 of state moneys in proportion to the amount each school district is  
24 determined to be eligible to receive.

25 (f) On or before July 1 of each year, the secretary for aging and  
26 disability services shall submit to the Kansas department of education a list  
27 of facilities which have been certified and licensed as psychiatric  
28 residential treatment facilities.

29 (g) As used in this section:

30 (1) "Enrollment" means the number of pupils who are: (A) Residing  
31 at the Flint Hills job corps center, confined in a juvenile detention facility  
32 or residing at a psychiatric residential treatment facility; and (B) for whom  
33 a school district is providing educational services on September 20, on  
34 November 20, or on April 20 of a school year, whichever is the greatest  
35 number of pupils;

36 (2) "juvenile detention facility" means any public or private facility  
37 which is used for the lawful custody of accused or adjudicated juvenile  
38 offenders and which shall not be a jail; and

39 (3) "psychiatric residential treatment facility" means a facility which  
40 provides psychiatric services to individuals under the age of 21 and which  
41 conforms with the regulations of the centers for medicare/medicaid  
42 services, is licensed and certified by the Kansas department for aging and  
43 disability services pursuant to subsection (f).

1       Sec. 76. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as  
2 follows: 72-8190. (a) For the purpose of determination of *supplemental*  
3 *state aid under section 17, and amendments thereto, and* payments from  
4 the school district capital improvements fund under K.S.A. 75-2319, and  
5 amendments thereto, notwithstanding any provision of either such  
6 statutory section to the contrary, the term assessed valuation per pupil, as  
7 applied to unified school district No. 203, Wyandotte county, shall not  
8 include within its meaning the assessed valuation of property which is  
9 owned by Sunflower Racing, Inc. and operated as a racetrack facility  
10 known as the Woodlands. The meaning of assessed valuation per pupil as  
11 provided in this subsection, for the purposes specified in this subsection,  
12 and as applied to the unified school district designated in this subsection,  
13 shall be in force and effect for the 1994-95 and 1995-96 school years.

14       (b) (1) In the event unified school district No. 203, Wyandotte county,  
15 receives in any school year the proceeds from any taxes which may be  
16 paid upon the Woodlands for the 1994-95 school year or the 1995-96  
17 school year or for both such school years, the state board of education  
18 shall deduct an amount equal to the amount of such tax proceeds from  
19 future payments of state aid to which the district is entitled.

20       (2) For the purposes of this subsection, the term "state aid" means  
21 payments from the school district capital improvements fund.

22       Sec. 77. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as  
23 follows: 72-8230. (a) In the event the boards of education of any two or  
24 more school districts enter into a school district interlocal cooperation  
25 agreement for the purpose of jointly and cooperatively performing any of  
26 the services, duties, functions, activities, obligations or responsibilities  
27 which are authorized or required by law to be performed by school  
28 districts of this state, the following conditions shall apply:

29       (1) A school district interlocal cooperation agreement shall establish a  
30 board of directors which shall be responsible for administering the joint or  
31 cooperative undertaking. The agreement shall specify the organization and  
32 composition of and manner of appointment to the board of directors. Only  
33 members of boards of education of school districts party to the agreement  
34 shall be eligible for membership on the board of directors. The terms of  
35 office of members of the board of directors shall expire concurrently with  
36 their terms as board of education members. Vacancies in the membership  
37 of the board of directors shall be filled within 30 days from the date of the  
38 vacancy in the manner specified in the agreement.

39       (2) A school district interlocal cooperation agreement may provide  
40 for the establishment and composition of an executive board. The  
41 members of the executive board, if established, shall be selected by the  
42 board of directors from its membership. The executive board shall exercise  
43 the powers, have the responsibilities, and perform the duties and functions

1 of the board of directors to the extent authority to do so is delegated by the  
2 board of directors.

3 (3) A school district interlocal cooperation agreement shall be  
4 effective only after approval by the state board of education.

5 (4) A school district interlocal cooperation agreement shall be subject  
6 to change or termination by the legislature.

7 (5) The duration of a school district interlocal cooperation agreement  
8 for joint or cooperative action in performing any of the services, duties,  
9 functions, activities, obligations or responsibilities, other than the  
10 provision of special education services, which are authorized or required  
11 by law to be performed by school districts of this state, shall be for a term  
12 of at least three years but not exceeding five years.

13 (6) (A) The duration of a school district interlocal cooperation  
14 agreement for joint or cooperative action in providing special education  
15 services shall be perpetual unless the agreement is partially or completely  
16 terminated in accordance with this provision. This provision applies to  
17 every school district interlocal cooperation agreement for the provision of  
18 special education services entered into under authority of this section after  
19 the effective date of this act and to every such agreement entered into  
20 under this section prior to the effective date of this act, and extant on the  
21 effective date of this act, regardless of any provisions in such an agreement  
22 to the contrary.

23 (B) Partial termination of a school district interlocal cooperation  
24 agreement for the provision of special education services made and  
25 entered into by the boards of three or more school districts may be  
26 accomplished only upon petition for withdrawal from the agreement by a  
27 contracting school district to the other contracting school districts and  
28 approval by the state board of written consent to the petition by such other  
29 school districts or upon order of the state board after appeal to it by a  
30 school district from denial of consent to a petition for withdrawal and  
31 hearing thereon conducted by the state board. The state board shall  
32 consider all the testimony and evidence brought forth at the hearing and  
33 issue an order approving or disapproving withdrawal by the school district  
34 from the agreement.

35 (C) Complete termination of a school district interlocal cooperation  
36 agreement for the provision of special education services made and  
37 entered into by the boards of two school districts may be accomplished  
38 upon approval by the state board of a joint petition made to the state board  
39 for termination of the agreement by both of the contracting school districts  
40 after adoption of a resolution to that effect by each of the contracting  
41 school districts or upon petition for withdrawal from the agreement made  
42 by a contracting school district to the other contracting school district and  
43 approval by the state board of written consent to the petition by such other



1 school district or upon order of the state board after appeal to it by a school  
2 district from denial of consent to a petition for withdrawal and hearing  
3 thereon conducted by the state board. The state board shall consider all the  
4 testimony and evidence brought forth at the hearing and issue an order  
5 approving or disapproving withdrawal by the school district from the  
6 agreement.

7 (D) Complete termination of a school district interlocal cooperation  
8 agreement for the provision of special education services made and  
9 entered into by the boards of three or more school districts may be  
10 accomplished only upon approval by the state board of a joint petition  
11 made to the state board for termination of the agreement by not less than  
12  $\frac{2}{3}$  of the contracting school districts after adoption of a resolution to that  
13 effect by each of the contracting school districts seeking termination of the  
14 agreement. The state board shall consider the petition and approve or  
15 disapprove termination of the agreement.

16 (E) The state board shall take such action in approving or  
17 disapproving the complete or partial termination of a school district  
18 interlocal cooperation agreement for the provision of special education  
19 services as the state board deems to be in the best interests of the involved  
20 school districts and of the state as a whole in the provision of special  
21 education services for exceptional children. Whenever the state board has  
22 disapproved the complete or partial termination of such an agreement, no  
23 further action with respect to such agreement shall be considered or taken  
24 by the state board for a period of not less than three years.

25 (7) A school district interlocal cooperation agreement shall specify  
26 the method or methods to be employed for disposing of property upon  
27 partial or complete termination.

28 (8) Within the limitations provided by law, a school district interlocal  
29 cooperation agreement may be changed or modified by affirmative vote of  
30 not less than  $\frac{2}{3}$  of the contracting school districts.

31 (b) Except as otherwise specifically provided in this subsection, any  
32 power or powers, privileges or authority exercised or capable of exercise  
33 by any school district of this state, or by any board of education thereof,  
34 may be jointly exercised pursuant to the provisions of a school district  
35 interlocal cooperation agreement. No power or powers, privileges or  
36 authority with respect to the levy and collection of taxes, the issuance of  
37 bonds, or the purposes and provisions of the ~~classroom learning assuring~~  
38 ~~student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*  
39 *enhancement act, section 3 et seq.*, and amendments thereto, or title I of  
40 public law 874 shall be created or effectuated for joint exercise pursuant to  
41 the provisions of a school district interlocal cooperation agreement.

42 (c) Payments from the general fund of each school district which  
43 enters into any school district interlocal cooperation agreement for the

1 purpose of financing the joint or cooperative undertaking provided for by  
2 the agreement shall be operating expenses.

3 (d) Upon partial termination of a school district interlocal cooperation  
4 agreement, the board of directors established under a renegotiated  
5 agreement thereof shall be the successor in every respect to the board of  
6 directors established under the former agreement.

7 (e) Nothing contained in this section shall be construed to abrogate,  
8 interfere with, impair, qualify or affect in any manner the exercise and  
9 enjoyment of all of the powers, privileges and authority conferred upon  
10 school districts and boards of education thereof by the provisions of the  
11 interlocal cooperation act, except that boards of education and school  
12 districts are required to comply with the provisions of this section when  
13 entering into an interlocal cooperation agreement that meets the definition  
14 of school district interlocal cooperation agreement.

15 (f) As used in this section:

16 (1) "School district interlocal cooperation agreement" means an  
17 agreement which is entered into by the boards of education of two or more  
18 school districts pursuant to the provisions of the interlocal cooperation act.

19 (2) "State board" means the state board of education.

20 Sec. 78. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as  
21 follows: 72-8233. (a) In accordance with the provisions of this section, the  
22 boards of education of any two or more unified school districts may make  
23 and enter into agreements providing for the attendance of pupils residing  
24 in one school district at school in kindergarten or any of the grades one  
25 through 12 maintained by any such other school district. The boards of  
26 education may also provide by agreement for the combination of  
27 enrollments for kindergarten or one or more grades, courses or units of  
28 instruction.

29 (b) Prior to entering into any agreement under authority of this  
30 section, the board of education shall adopt a resolution declaring that it has  
31 made a determination that such an agreement should be made and that the  
32 making and entering into of such an agreement would be in the best  
33 interests of the educational system of the school district. Any such  
34 agreement is subject to the following conditions:

35 (1) The agreement may be for any term not exceeding a term of five  
36 years.

37 (2) The agreement shall be subject to change or termination by the  
38 legislature.

39 (3) Within the limitations provided by law, the agreement may be  
40 changed or terminated by mutual agreement of the participating boards of  
41 education.

42 (4) The agreement shall make provision for transportation of pupils to  
43 and from the school attended on every school day, for payment or sharing

1 of the costs and expenses of pupil attendance at school, and for the  
2 authority and responsibility of the participating boards of education.

3 (c) Provision by agreements entered into under authority of this  
4 section for the attendance of pupils at school in a school district of  
5 nonresidence of such pupils shall be deemed to be compliance with the  
6 kindergarten, grade, course and units of instruction requirements of law.

7 (d) The board of education of any school district which enters into an  
8 agreement under authority of this section for the attendance of pupils at  
9 school in another school district may discontinue kindergarten or any or all  
10 of the grades, courses and units of instruction specified in the agreement  
11 for attendance of pupils enrolled in kindergarten or any such grades,  
12 courses and units of instruction at school in such other school district.  
13 Upon discontinuing kindergarten or any grade, course or unit of instruction  
14 under authority of this subsection, the board of education may close any  
15 school building or buildings operated or used for attendance by pupils  
16 enrolled in such discontinued kindergarten, grades, courses or units of  
17 instruction. The closing of any school building under authority of this  
18 subsection shall require a majority vote of the members of the board of  
19 education and shall require no other procedure or approval.

20 (e) Pupils attending school in a school district of nonresidence of  
21 such pupils in accordance with an agreement made and entered into under  
22 authority of this section shall be counted as regularly enrolled in and  
23 attending school in the school district of residence of such pupils for the  
24 purpose of computations under the ~~classroom learning assuring student~~  
25 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*  
26 *enhancement act, section 3 et seq.*, and amendments thereto.

27 (f) Pupils who satisfactorily complete grade 12 while in attendance at  
28 school in a school district of nonresidence of such pupils in accordance  
29 with the provisions of an agreement entered into under authority of this  
30 section shall be certified as having graduated from the school district of  
31 residence of such pupils unless otherwise provided for by the agreement.

32 Sec. 79. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as  
33 follows: 72-8236. (a) The board of education of any school district may:  
34 (1) Establish, operate and maintain a child care facility; (2) enter into  
35 cooperative or interlocal agreements with one or more other boards for the  
36 establishment, operation and maintenance of a child care facility; (3)  
37 contract with private, nonprofit corporations or associations or with any  
38 public or private agency or institution, whether located within or outside  
39 the state, for the establishment, operation and maintenance of a child care  
40 facility; and (4) prescribe and collect fees for providing care at a child care  
41 facility.

42 (b) Fees for providing care at a child care facility established under  
43 authority of this section shall be prescribed and collected only to recover

1 the costs incurred as a result of and directly attributable to the  
2 establishment, operation and maintenance of the child care facility.  
3 Revenues from fees collected by a board under this section shall be  
4 deposited in the general fund of the school district and shall be considered  
5 reimbursements to the district for the purpose of the ~~classroom learning~~  
6 ~~assuring student success act~~, K.S.A. 2016 Supp. 72-6463 *Kansas school*  
7 *equity and enhancement act*, section 3 et seq., and amendments thereto,  
8 and may be expended whether the same have been budgeted or not and  
9 amounts so expended shall not be considered operating expenses.

10 (c) Every school district which establishes, operates and maintains a  
11 child care facility shall be subject to the provisions contained in article 5 of  
12 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

13 (d) As used in this section, the term "child" means any child who is  
14 three years of age or older, and any infant or toddler whose parent or  
15 parents are pupils or employees of a school district which establishes,  
16 operates and maintains, or cooperates in the establishment, operation and  
17 maintenance of, a child care facility under authority of this act.

18 Sec. 80. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as  
19 follows: 72-8249. (a) There is hereby established in every school district a  
20 special reserve fund. Moneys in such fund shall be used to:

21 (1) Pay claims, judgments, expenses and other purposes relating to  
22 health care services, disability income benefits and group life insurance  
23 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

24 (2) pay costs relating to uninsured losses; and

25 (3) pay the cost of workers compensation insurance and workers  
26 compensation claims, awards, expenses and other purposes authorized by  
27 the workers compensation act.

28 ~~Moneys in such fund may be transferred to the general fund of the~~  
29 ~~school district as approved by the board of education.~~

30 (b) Any balance remaining in the special reserve fund at the end of  
31 the budget year shall be carried forward into that reserve fund for  
32 succeeding budget years. Such fund shall not be subject to the provisions  
33 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing  
34 the budget of such school district, the amounts credited to and the amount  
35 on hand in the special reserve fund, and the amount expended therefrom  
36 shall be included in the annual budget for the information of the residents  
37 of the school district. Interest earned on the investment of moneys in any  
38 such fund shall be credited to that fund.

39 Sec. 81. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as  
40 follows: 72-8250. (a) There is hereby established in every school district a  
41 textbook and student materials revolving fund. Moneys in such fund shall  
42 be used to:

43 (1) Purchase any items designated in K.S.A. 72-5389, and

1 amendments thereto;

2 (2) pay the cost of materials or other items used in curricular,  
3 extracurricular or other school-related activities; and

4 (3) purchase textbooks as authorized by K.S.A. 72-4141, and  
5 amendments thereto.

6 ~~Moneys in such fund may be transferred to the general fund of the~~  
7 ~~school district as approved by the board of education.~~

8 (b) Any balance remaining in the textbook and student materials  
9 revolving fund at the end of the budget year shall be carried forward into  
10 that fund for succeeding budget years. Such fund shall not be subject to the  
11 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
12 In preparing the budget of such school district, the amounts credited to and  
13 the amount on hand in the textbook and student materials revolving fund,  
14 and the amount expended therefrom shall be included in the annual budget  
15 for the information of the residents of the school district. ~~Interest earned on~~  
16 ~~the investment of moneys in any such fund shall be credited to that fund.~~

17 Sec. 82. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as  
18 follows: 72-8251. Whenever a school district is required by law to make  
19 any payment during the month of June and there is insufficient revenue to  
20 make such payment as a result of the payment of state aid after the date  
21 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~  
22 ~~72-6466 section 7~~, and amendments thereto, the school district shall make  
23 such payment as soon as moneys are available.

24 Sec. 83. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as  
25 follows: 72-8302. (a) The board of education of a school district may  
26 provide or furnish transportation for ~~pupils~~ *students* who are enrolled in  
27 the school district to or from any school of the school district or to or from  
28 any school of another school district attended by such ~~pupils~~ *students* in  
29 accordance with the provisions of an agreement entered into under  
30 authority of K.S.A. 72-8233, and amendments thereto.

31 (b) (1) When any or all of the conditions specified in this provision  
32 exist, the board of education of a school district shall provide or furnish  
33 transportation for ~~pupils~~ *students* who reside in the school district and who  
34 attend any school of the school district or who attend any school of another  
35 school district in accordance with the provisions of an agreement entered  
36 into under authority of K.S.A. 72-8233, and amendments thereto. The  
37 conditions which apply to the requirements of this provision are as  
38 follows:

39 (A) The residence of the ~~pupil~~ *student* is inside or outside the  
40 corporate limits of a city, the school building attended is outside the  
41 corporate limits of a city and the school building attended is more than 2<sup>1</sup>/<sub>2</sub>  
42 miles by the usually traveled road from the residence of the ~~pupil~~ *student*;  
43 or

1 (B) the residence of the ~~pupil~~ *student* is outside the corporate limits of  
2 a city, the school building attended is inside the corporate limits of a city  
3 and the school building attended is more than 2<sup>1</sup>/<sub>2</sub> miles by the usually  
4 traveled road from the residence of the ~~pupil~~ *student*; or

5 (C) the residence of the ~~pupil~~ *student* is inside the corporate limits of  
6 one city, the school building attended is inside the corporate limits of a  
7 different city and the school building attended is more than 2<sup>1</sup>/<sub>2</sub> miles by  
8 the usually traveled road from the residence of the ~~pupil~~ *student*.

9 (2) The provisions of this subsection are subject to the provisions of  
10 subsections (c) and (d).

11 (c) The board of education of every school district is authorized to  
12 adopt rules and regulations to govern the conduct, control and discipline of  
13 all ~~pupils~~ *students* while being transported in school buses. The board may  
14 suspend or revoke the transportation privilege or entitlement of any ~~pupil~~  
15 *student* who violates any rules and regulations adopted by the board under  
16 authority of this subsection.

17 (d) The board of education of every school district may suspend or  
18 revoke the transportation privilege or entitlement of any ~~pupil~~ *student* who  
19 is detained at school at the conclusion of the school day for violation of  
20 any rules and regulations governing ~~pupil~~ *student* conduct or for  
21 disobedience of an order of a teacher or other school authority. Suspension  
22 or revocation of the transportation privilege or entitlement of any ~~pupil~~  
23 *student* specified in this subsection shall be limited to the school day or  
24 days on which the ~~pupil~~ *student* is detained at school. The provisions of  
25 this subsection do not apply to any ~~pupil~~ *student* who has been determined  
26 to be an exceptional child, except gifted children, under the provisions of  
27 the special education for exceptional children act.

28 (e) (1) Subject to the limitations specified in this subsection, the  
29 board of education of any school district may prescribe and collect fees to  
30 offset, totally or in part, the costs incurred for the provision or furnishing  
31 of transportation for ~~pupils~~ *students*. The limitations which apply to the  
32 authorization granted by this subsection are as follows:

33 (A) Fees for the provision or furnishing of transportation for ~~pupils~~  
34 *students* shall be prescribed and collected only to recover the costs  
35 incurred as a result of and directly attributable to the provision or  
36 furnishing of transportation for ~~pupils~~ *students* and only to the extent that  
37 such costs are not reimbursed from any other source provided by law;

38 (B) fees for the provision or furnishing of transportation may not be  
39 assessed against or collected from any ~~pupil~~ *student who is counted in*  
40 *determining the transportation weighting of the school district under the*  
41 *Kansas school equity and enhancement act, section 3 et seq., and*  
42 *amendments thereto, or any student who is determined to be a child with*  
43 *disabilities under the provisions of the special education for exceptional*

1 children act or any ~~pupil~~ *student* who is eligible for free or reduced price  
2 meals under the national school lunch act or any ~~pupil~~ *student* who is  
3 entitled to transportation under the provisions of K.S.A. 72-8306(a), and  
4 amendments thereto, and who resides 2½ miles or more by the regular  
5 route of a school bus from the school attended;

6 (C) fees for the provision or furnishing of transportation for ~~pupils~~  
7 *students* in accordance with the provisions of an agreement entered-into  
8 under authority of K.S.A. 72-8233 or 72-8307, and amendments thereto,  
9 shall be controlled by the provisions of the agreement.

10 (2) All moneys received by a school district from fees collected under  
11 this subsection shall be deposited in the general fund of the district.

12 Sec. 84. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as  
13 follows: 72-8309. (a) The board of education of a school district shall not  
14 furnish or provide transportation for ~~pupils or~~ students who reside in  
15 another school district except in accordance with the written consent of the  
16 board of education of the school district in which such ~~pupil or~~ student  
17 resides, or in accordance with an order issued by a board of education  
18 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in  
19 accordance with the provisions of an agreement entered into under  
20 authority of K.S.A. 72-8233, and amendments thereto.

21 (b) A school district may transport a nonresident ~~pupil or~~ student if  
22 such ~~pupil or~~ student boards the school bus within the boundaries or on the  
23 boundary of the transporting school district. To the extent that the  
24 provisions of this subsection conflict with the provisions of subsection (a),  
25 the provisions of subsection (a) shall control.

26 (c) *No student who is furnished or provided transportation by a*  
27 *school district that is not the school district in which the student resides*  
28 *shall be counted in the computation of the school district's transportation*  
29 *weighting under the Kansas school equity and enhancement act, section 3*  
30 *et seq., and amendments thereto.*

31 Sec. 85. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as  
32 follows: 72-8316. (a) Any board of education, pursuant to a policy  
33 developed and adopted by it, may provide for the use of district-owned or  
34 leased school buses when such buses are not being used for regularly  
35 required school purposes. The policy may provide for:

36 (1) (A) Transporting parents and other adults to or from school-  
37 related functions or activities; (B) transporting ~~pupils~~ *students* to or from  
38 functions or activities sponsored by organizations, the membership of  
39 which is principally composed of children of school age; and (C)  
40 transporting persons engaged in field trips in connection with their  
41 participation in an adult education program maintained by the transporting  
42 school district or by any other school district, within or outside the  
43 boundaries of the transporting school district; and

1 (2) contracting with: (A) The governing body of any township, city or  
 2 county for transportation of individuals, groups or organizations; (B) the  
 3 governing authority of any nonpublic school for transportation of ~~pupils~~  
 4 *students* attending such nonpublic school to or from interschool or  
 5 intraschool functions or activities; (C) the board of trustees of any  
 6 community college for transportation of students enrolled in such  
 7 community college to or from attendance at class at the community college  
 8 or to and from functions or activities of the community college; (D) a  
 9 public recreation commission established and operated under the laws of  
 10 this state, for any purposes related to the operation of the recreation  
 11 commission and all programs and services thereof; (E) the board of  
 12 education of any other school district for transportation, on a cooperative  
 13 and shared-cost basis, of ~~pupils~~ *students*, school personnel, parents and  
 14 other adults to or from school-related functions or activities; or (F) a four-  
 15 year college or university, area vocational school or area vocational-  
 16 technical school for transportation of students to or from attendance at  
 17 class at the four-year college or university, area vocational school or area  
 18 vocational-technical school or for transportation of students, alumni and  
 19 other members of the public to or from functions or activities of the four-  
 20 year college or university, area vocational school or area vocational-  
 21 technical school.

22 (b) *The costs related to the use of school buses under the authority of*  
 23 *this section shall not be considered in determining the transportation*  
 24 *weighting of a school district under the Kansas school equity and*  
 25 *enhancement act, section 3 et seq., and amendments thereto.*

26 ~~(b)~~ (c) Transportation fees may be charged by the board to offset,  
 27 totally or in part, the costs incurred for the use of school buses under  
 28 authority of this section.

29 ~~(e)~~ (d) Any revenues received by a board of education as  
 30 transportation fees or under any contract entered into pursuant to this  
 31 section shall be deposited in the general fund of the school district and  
 32 shall be considered reimbursements to the school district for the purpose of  
 33 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
 34 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq., and*  
 35 *amendments thereto. Such revenues may be expended whether the same*  
 36 *have been budgeted or not.*

37 ~~(d)~~ (e) The provisions of K.S.A. 8-1556(c), and amendments thereto,  
 38 apply to the use of school buses under authority of this section.

39 Sec. 86. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as  
 40 follows: 72-8415b. (a) Any school district that elects to become a self-  
 41 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,  
 42 may transfer moneys from its general fund to the special reserve fund of  
 43 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 42, and*



1 amendments thereto.

2 (b) Any community college that elects to become a self-insurer under  
3 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer  
4 such amounts from its general fund to the health care services reserve fund  
5 or the disability income benefits reserve fund, or the group life benefit  
6 reserve fund, or all three, as may be deemed necessary to meet the cost of  
7 health care services or disability income benefits, or group life insurance  
8 claims, whichever is applicable.

9 Sec. 87. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as  
10 follows: 72-8801. (a) The board of education of any school district may  
11 make an annual tax levy at a mill rate not to exceed the statutorily  
12 prescribed mill rate upon the taxable tangible property in the school  
13 district for the purposes specified in this act and for the purpose of paying  
14 a portion of the principal and interest on bonds issued by cities under the  
15 authority of K.S.A. 12-1774, and amendments thereto, for the financing of  
16 redevelopment projects upon property located within the school district.  
17 No levy shall be made under this act until a resolution is adopted by the  
18 board of education in the following form:

19 Unified School District No. \_\_\_\_\_,  
20 \_\_\_\_\_ County, Kansas.

21 RESOLUTION

22 Be It Resolved that:

23 The above-named school board shall be authorized to make an annual  
24 tax levy for a period not to exceed \_\_\_\_\_ years in an amount not to  
25 exceed \_\_\_\_\_ mills upon the taxable tangible property in the school  
26 district for the purpose of acquisition, construction, reconstruction, repair,  
27 remodeling, additions to, furnishing, maintaining and equipping of school  
28 district property and equipment necessary for school district purposes,  
29 including: (1) Acquisition of computer software; (2) acquisition of  
30 performance uniforms; (3) housing and boarding pupils enrolled in an area  
31 vocational school operated under the board; (4) architectural expenses; (5)  
32 acquisition of building sites; (6) undertaking and maintenance of asbestos  
33 control projects; (7) acquisition of school buses; (8) *utility expenses*; and  
34 ~~(8)~~ (9) acquisition of other fixed assets, and for the purpose of paying a  
35 portion of the principal and interest on bonds issued by cities under the  
36 authority of K.S.A. 12-1774, and amendments thereto, for the financing of  
37 redevelopment projects upon property located within the school district.  
38 The tax levy authorized by this resolution may be made, unless a petition  
39 in opposition to the same, signed by not less than 10% of the qualified  
40 electors of the school district, is filed with the county election officer of  
41 the home county of the school district within 40 calendar days after the last  
42 publication of this resolution. In the event a petition is filed, the county  
43 election officer shall submit the question of whether the tax levy shall be

1 authorized to the electors in the school district at an election called for that  
2 purpose or at the next general election, as is specified by the board of  
3 education of the above school district.

4 CERTIFICATE

5 This is to certify that the above resolution was duly adopted by the  
6 board of education of Unified School District No. \_\_\_\_\_,  
7 County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_

8 \_\_\_\_\_  
9 Clerk of the board of education.

10 All of the blanks in the above resolution shall be appropriately filled.  
11 The blank preceding the word "years" shall be filled with a specific  
12 number, and the blank preceding the word "mills" shall be filled with a  
13 specific number, and no word shall be inserted in either of the blanks. The  
14 resolution shall be published once a week for two consecutive weeks in a  
15 newspaper having general circulation in the school district. If no petition  
16 as specified above is filed in accordance with the provisions of the  
17 resolution, the board of education may make the tax levy specified in the  
18 resolution. If a petition is filed as provided in the resolution, the board of  
19 education may notify the county election officer of the date of an election  
20 to be held to submit the question of whether the tax levy shall be  
21 authorized. If the board of education fails to notify the county election  
22 officer within 60 calendar days after a petition is filed, the resolution shall  
23 be deemed abandoned and no like resolution shall be adopted by the board  
24 of education within the nine months following the first publication of the  
25 resolution.

26 (b) As used in this act:

27 (1) "Unconditionally authorized to make a capital outlay tax levy"  
28 means that the school district has adopted a resolution under this section,  
29 has published the same, and either that the resolution was not protested or  
30 that it was protested and an election has been held by which the tax levy  
31 specified in the resolution was approved;

32 (2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the  
33 mill levy rate in excess of eight mills if the resolution fixing such rate was  
34 approved at an election prior to the effective date of this act; or (C) the  
35 mill levy rate in excess of eight mills if no petition or no sufficient petition  
36 was filed in protest to a resolution fixing such rate in excess of eight mills  
37 and the protest period for filing such petition has expired;

38 (3) "asbestos control project" means any activity which is necessary  
39 or incidental to the control of asbestos-containing material in buildings of  
40 school districts and includes, but not by way of limitation, any activity  
41 undertaken for the removal or encapsulation of asbestos-containing  
42 material, for any remodeling, renovation, replacement, rehabilitation or  
43 other restoration necessitated by such removal or encapsulation, for

1 conducting inspections, reinspections and periodic surveillance of  
2 buildings, performing response actions, and developing, implementing and  
3 updating operations and maintenance programs and management plans;

4 (4) "asbestos" means the asbestiform varieties of chrysotile  
5 (serpentine), crocidolite (riebeckite), amosite (cummingtonitegrunerite),  
6 anthophyllite, tremolite, and actinolite; and

7 (5) "asbestos-containing material" means any material or product  
8 which contains more than 1% asbestos.

9 Sec. 88. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as  
10 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school  
11 district and any moneys received from issuance of bonds under K.S.A. 72-  
12 8805 or 72-8810, and amendments thereto, may be used for the purpose of  
13 the acquisition, construction, reconstruction, repair, remodeling, additions  
14 to, furnishing, maintaining and equipping of school district property and  
15 equipment necessary for school district purposes, including: (1)  
16 Acquisition of computer software; (2) acquisition of performance  
17 uniforms; (3) housing and boarding pupils enrolled in an area vocational  
18 school operated under the board of education; (4) architectural expenses;  
19 (5) acquisition of building sites; (6) undertaking and maintenance of  
20 asbestos control projects; (7) acquisition of school buses; (8) *utility*  
21 *expenses*; and (8) (9) acquisition of other fixed assets, ~~and, for school~~  
22 ~~years 2015-2016 and 2016-2017, subject to the provisions of K.S.A. 2016~~  
23 ~~Supp. 72-6478, and amendments thereto, may be transferred to the general~~  
24 ~~fund of the school district as approved by the board of education.~~

25 (b) The board of education of any school district is hereby authorized  
26 to invest any portion of the capital outlay fund of the school district which  
27 is not currently needed in investments authorized by K.S.A. 12-1675, and  
28 amendments thereto, in the manner prescribed therein, or may invest the  
29 same in direct obligations of the United States government maturing or  
30 redeemable at par and accrued interest within three years from date of  
31 purchase, the principal and interest whereof is guaranteed by the  
32 government of the United States. All interest received on any such  
33 investment shall upon receipt thereof be credited to the capital outlay fund.

34 Sec. 89. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as  
35 follows: 72-8908. As used in this act:

36 (a) "Juvenile" means a person who is less than 18 years of age;

37 (b) "adult" means a person who is 18 years of age or older;

38 (c) "felony" means any crime designated a felony by the laws of  
39 Kansas or the United States;

40 (d) "misdemeanor" means any crime designated a misdemeanor by  
41 the laws of Kansas or the United States;

42 (e) "school day" means any day on which school is maintained;

43 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016-~~

1 ~~Supp. 72-6464~~ section 4, and amendments thereto;

2 (g) "counsel" means any person a pupil selects to represent and  
3 advise the pupil at all proceedings conducted pursuant to the provisions of  
4 this act; and

5 (h) "principal witness" means any witness whose testimony is of  
6 major importance in support of the charges upon which a proposed  
7 suspension or expulsion from school is based, or in determination of  
8 material questions of fact.

9 Sec. 90. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as  
10 follows: 72-9509. (a) There is hereby established in every school district a  
11 fund which shall be called the bilingual education fund, which fund shall  
12 consist of all moneys deposited therein or transferred thereto according to  
13 law. ~~Amounts deposited in the bilingual education fund may be used for~~  
14 ~~the payment of expenses directly attributable to bilingual education or may~~  
15 ~~be transferred to the general fund of the school district as approved by the~~  
16 ~~board of education~~ *The expenses of a school district directly attributable*  
17 *to such bilingual education programs shall be paid from the bilingual*  
18 *education fund. Moneys deposited in or otherwise transferred to the*  
19 *bilingual education fund shall only be expended for those costs directly*  
20 *attributable to the provision of bilingual education programs.*

21 (b) Any balance remaining in the bilingual education fund at the end  
22 of the budget year shall be carried forward into the bilingual education  
23 fund for succeeding budget years. Such fund shall not be subject to the  
24 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
25 In preparing the budget of such school district, the amounts credited to and  
26 the amount on hand in the bilingual education fund, and the amount  
27 expended therefrom shall be included in the annual budget for the  
28 information of the residents of the school district. ~~Interest earned on the~~  
29 ~~investment of moneys in any such fund shall be credited to that fund.~~

30 (c) Each year the board of education of each school district shall  
31 prepare and submit to the state board a report on the bilingual education  
32 program and assistance provided by the district. Such report shall include  
33 information specifying the number of pupils who were served or provided  
34 assistance, the type of service provided, the research upon which the  
35 district relied in determining that a need for service or assistance existed,  
36 the results of providing such service or assistance and any other  
37 information required by the state board.

38 Sec. 91. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as  
39 follows: 72-9609. There is hereby established in every school district a  
40 fund which shall be called the professional development fund, which fund  
41 shall consist of all moneys deposited therein or transferred thereto  
42 according to law. All moneys received by the school district from whatever  
43 source for professional development programs established under this act

1 shall be credited to the fund established by this section. ~~Amounts deposited~~  
2 ~~in the professional development fund may be used for the payment of~~  
3 ~~expenses directly attributable to professional development or may be~~  
4 ~~transferred to the general fund of the school district as approved by the~~  
5 ~~board of education~~ *The expenses of a school district directly attributable*  
6 *to professional development programs shall be paid from the professional*  
7 *development fund.*

8 Sec. 92. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as  
9 follows: 72-99a02. As used in the tax credit for low income students  
10 scholarship program act:

11 (a) "Contributions" means monetary gifts or donations and in-kind  
12 contributions, gifts or donations that have an established market value.

13 (b) "Department" means the Kansas department of revenue.

14 (c) "Educational scholarship" means an amount not to exceed \$8,000  
15 per school year provided to an eligible student, or to a qualified school  
16 with respect to an eligible student, to cover all or a portion of the costs of  
17 education including tuition, fees and expenses of a qualified school and, if  
18 applicable, the costs of transportation to a qualified school if provided by  
19 such qualified school.

20 (d) "Eligible student" means a child who:

21 (1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,  
22 prior to its repeal, and who is attending a public school; or (B) has been  
23 eligible to receive an educational scholarship under this program and has  
24 not graduated from high school or reached 21 years of age;

25 (2) resides in Kansas while eligible for an educational scholarship;  
26 and

27 (3) (A) was enrolled in any public school in the previous school year  
28 in which an educational scholarship is first sought for the child; or (B) is  
29 eligible to be enrolled in any public school in the school year in which an  
30 educational scholarship is first sought for the child and the child is under  
31 the age of six years.

32 (e) "Parent" includes a guardian, custodian or other person with  
33 authority to act on behalf of the child.

34 (f) "Program" means the tax credit for low income students  
35 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through  
36 72-99a07, and amendments thereto.

37 (g) "Public school" means a school that would qualify as either a title  
38 I focus school or a title I priority school as described by the state board  
39 under the elementary and secondary education act flexibility waiver as  
40 amended in January 2013 and is operated by a school district.

41 (h) "Qualified school" means any nonpublic school that provides  
42 education to elementary or secondary students, has notified the state board  
43 of its intention to participate in the program and complies with the

1 requirements of the program.

2 (i) "Scholarship granting organization" means an organization that  
3 complies with the requirements of this program and provides educational  
4 scholarships to eligible students or to qualified schools in which parents  
5 have enrolled eligible students.

6 (j) "School district" or "district" means any unified school district  
7 organized and operating under the laws of this state.

8 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~  
9 ~~2016 Supp. 72-6464~~ section 4, and amendments thereto.

10 (l) "Secretary" means the secretary of revenue.

11 (m) "State board" means the state board of education.

12 Sec. 93. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as  
13 amended by section 92 of this act, is hereby amended to read as follows:  
14 72-99a02. As used in the tax credit for low income students scholarship  
15 program act:

16 (a) "Contributions" means monetary gifts or donations and in-kind  
17 contributions, gifts or donations that have an established market value.

18 (b) "Department" means the Kansas department of revenue.

19 (c) "Educational scholarship" means an amount not to exceed \$8,000  
20 per school year provided to an eligible student, or to a qualified school  
21 with respect to an eligible student, to cover all or a portion of the costs of  
22 education including tuition, fees and expenses of a qualified school and, if  
23 applicable, the costs of transportation to a qualified school if provided by  
24 such qualified school.

25 (d) "Eligible student" means a child who:

26 (1) ~~(A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,~~  
27 ~~prior to its repeal~~ *Is an at-risk student, as defined in section 4, and*  
28 *amendments thereto*, and who is attending a public school; or (B) has been  
29 eligible to receive an educational scholarship under this program and has  
30 not graduated from high school or reached 21 years of age;

31 (2) resides in Kansas while eligible for an educational scholarship;  
32 and

33 (3) (A) was enrolled in any public school in the previous school year  
34 in which an educational scholarship is first sought for the child; or (B) is  
35 eligible to be enrolled in any public school in the school year in which an  
36 educational scholarship is first sought for the child and the child is under  
37 the age of six years.

38 (e) "Parent" includes a guardian, custodian or other person with  
39 authority to act on behalf of the child.

40 (f) "Program" means the tax credit for low income students  
41 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through  
42 72-99a07, and amendments thereto.

43 (g) "Public school" means a school that ~~would qualify as either a title~~

1 ~~I-focus school or a title I priority school as described by the state board~~  
2 ~~under the elementary and secondary education act flexibility waiver as~~  
3 ~~amended in January 2013 and is operated by a school district, and~~  
4 ~~identified by the state board as one of the lowest 100 performing schools~~  
5 ~~with respect to student achievement among all schools operated by school~~  
6 ~~districts for the current school year.~~

7 (h) ~~"Qualified school" means any nonpublic school that provides~~  
8 ~~education to elementary or secondary students, has notified the state board~~  
9 ~~of its intention to participate in the program and complies with the~~  
10 ~~requirements of the program:~~

11 (1) *A nonpublic school that does not offer any of the grades nine*  
12 *through 12, and is accredited by the state board;*

13 (2) *a nonpublic school that offers any of the grades nine through 12,*  
14 *and:*

15 (A) *Whose postsecondary effective rate exceeds the trend line for*  
16 *such rate among all school districts and accredited nonpublic schools as*  
17 *determined by the state board; or*

18 (B) *whose composite ACT score exceeds the statewide average*  
19 *composite ACT score for all school districts and accredited nonpublic*  
20 *schools; or*

21 (3) *a nonpublic school that was a participating qualified school prior*  
22 *to July 1, 2018, or that has been a qualified school participating in the*  
23 *program in any preceding school year. Each qualified school shall provide*  
24 *education to elementary or secondary students, notify the state board of its*  
25 *intention to participate in the program and comply with the requirements*  
26 *of the program.*

27 (i) "Scholarship granting organization" means an organization that  
28 complies with the requirements of this program and provides educational  
29 scholarships to eligible students or to qualified schools in which parents  
30 have enrolled eligible students.

31 (j) "School district" or "district" means any unified school district  
32 organized and operating under the laws of this state.

33 (k) "School year" shall have the meaning ascribed thereto in section  
34 4, and amendments thereto.

35 (l) "Secretary" means the secretary of revenue.

36 (m) "State board" means the state board of education.

37 Sec. 94. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a04 is  
38 hereby amended to read as follows: 72-99a04. (a) To be eligible to  
39 participate in the program, a scholarship granting organization shall  
40 comply with the following:

41 (1) The scholarship granting organization shall notify the secretary  
42 and the state board of the scholarship granting organization's intent to  
43 provide educational scholarships;

1 (2) upon granting an educational scholarship, the scholarship granting  
2 organization shall report such information to the state board;

3 (3) the scholarship granting organization shall provide verification to  
4 the secretary that the scholarship granting organization is exempt from  
5 federal income taxation pursuant to section 501(c)(3) of the federal  
6 internal revenue code of 1986;

7 (4) upon receipt of contributions in an aggregate amount or value in  
8 excess of \$50,000 during a school year, a scholarship granting  
9 organization shall file with the state board either:

10 (A) A surety bond payable to the state in an amount equal to the  
11 aggregate amount of contributions expected to be received during the  
12 school year; or

13 (B) financial information demonstrating the scholarship granting  
14 organization's ability to pay an aggregate amount equal to the amount of  
15 the contributions expected to be received during the school year, which  
16 must be reviewed and approved of in writing by the state board;

17 (5) scholarship granting organizations that provide other nonprofit  
18 services in addition to providing educational scholarships shall not  
19 commingle contributions made under the program with other contributions  
20 made to such organization. A scholarship granting organization under this  
21 subsection shall also file with the state board, prior to the commencement  
22 of each school year, either:

23 (A) A surety bond payable to the state in an amount equal to the  
24 aggregate amount of contributions expected to be received during the  
25 school year; or

26 (B) financial information demonstrating the nonprofit organization's  
27 ability to pay an aggregate amount equal to the amount of the  
28 contributions expected to be received during the school year, which must  
29 be reviewed and approved of in writing by the state board;

30 (6) each qualified school receiving educational scholarships from the  
31 scholarship granting organization shall annually certify to the scholarship  
32 granting organization its compliance with the requirements of the program;

33 (7) at the end of the calendar year, the scholarship granting  
34 organization shall have its accounts examined and audited by a certified  
35 public accountant. Such audit shall include, but not be limited to,  
36 information verifying that the educational scholarships awarded by the  
37 scholarship granting organization were distributed to qualified schools  
38 with respect to eligible students determined by the state board under  
39 K.S.A. 2016 Supp. 72-99a03(c), and amendments thereto, and information  
40 specified in this section. Prior to filing a copy of the audit with the state  
41 board, such audit shall be duly verified and certified by a certified public  
42 accountant; and

43 (8) if a scholarship granting organization decides to limit the number



1 or type of qualified schools who will receive educational scholarships, the  
2 scholarship granting organization shall provide, in writing, the name or  
3 names of those qualified schools to any contributor and the state board.

4 *(b) A scholarship granting organization shall award at least 50% of*  
5 *all education scholarships in a school year to eligible students who are*  
6 *certified by the department for children and families as a member of a*  
7 *family whose household income does not exceed 130% of the federal*  
8 *poverty level established under the most recent poverty income guidelines*  
9 *published in the calendar year by the United States department of health*  
10 *and human services.*

11 ~~(b)~~ (c) No scholarship granting organization shall provide an  
12 educational scholarship with respect to any eligible student to attend any  
13 qualified school with paid staff or paid board members, or relatives  
14 thereof, in common with the scholarship granting organization.

15 ~~(c)~~ (d) The scholarship granting organization shall disburse not less  
16 than 90% of contributions received pursuant to the program in the form of  
17 educational scholarships within 36 months of receipt of such contributions.  
18 If such contributions have not been disbursed within the applicable 36-  
19 month time period, then the scholarship granting organization shall not  
20 accept new contributions until 90% of the received contributions have  
21 been disbursed in the form of educational scholarships. Any income earned  
22 from contributions must be disbursed in the form of educational  
23 scholarships.

24 ~~(d)~~ (e) A scholarship granting organization may continue to provide  
25 an educational scholarship with respect to a student who was an eligible  
26 student in the year immediately preceding the current school year.

27 ~~(e)~~ (f) A scholarship granting organization shall direct payments of  
28 educational scholarships to the qualified school attended by the eligible  
29 student or in which the eligible student is enrolled. Payment may be made  
30 by check made payable to both the parent and the qualified school or to  
31 only the qualified school. If an eligible student transfers to a new qualified  
32 school during a school year, the scholarship granting organization shall  
33 direct payment in a prorated amount to the original qualified school and  
34 the new qualified school based on the eligible student's attendance. If the  
35 eligible student transfers to a public school and enrolls in such public  
36 school after September 20 of the current school year, the scholarship  
37 granting organization shall direct payment in a prorated amount to the  
38 original qualified school and the public school based on the eligible  
39 student's attendance. The prorated amount to the public school shall be  
40 considered a donation and shall be paid to the school district of such public  
41 school in accordance with K.S.A. 72-8210, and amendments thereto.

42 ~~(f)~~ (g) By June 1 of each year, a scholarship granting organization  
43 shall submit a report to the state board for the educational scholarships

1 provided in the immediately preceding 12 months. Such report shall be in  
2 a form and manner as prescribed by the state board, approved and signed  
3 by a certified public accountant, and shall contain the following  
4 information:

- 5 (1) The name and address of the scholarship granting organization;
- 6 (2) the name and address of each eligible student with respect to  
7 whom an educational scholarship was awarded by the scholarship granting  
8 organization;
- 9 (3) the total number and total dollar amount of contributions received  
10 during the 12-month reporting period; and
- 11 (4) the total number and total dollar amount of educational  
12 scholarships awarded during the 12-month reporting period and the total  
13 number and total dollar amount of educational scholarships awarded  
14 during the 12-month reporting period with respect to eligible students who  
15 qualified under K.S.A. 2016 Supp. 72-99a02(d), and amendments thereto.

16 ~~(g)~~ (h) No scholarship granting organization shall:

- 17 (1) Provide an educational scholarship with respect to an eligible  
18 student that is established by funding from any contributions made by any  
19 relative of such eligible student; or
- 20 (2) accept a contribution from any source with the express or implied  
21 condition that such contribution be directed toward an educational  
22 scholarship for a particular eligible student.

23 Sec. 95. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as  
24 follows: 74-4939a. On and after the effective date of this act for each fiscal  
25 year commencing with fiscal year 2005, notwithstanding the provisions of  
26 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys  
27 appropriated for the department of education from the state general fund  
28 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,  
29 by appropriation act of the legislature, in the KPERS — employer  
30 contributions account and all moneys appropriated for the department of  
31 education from the state general fund or any special revenue fund for each  
32 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year  
33 thereafter, by any such appropriation act in that account or any other  
34 account for payment of employer contributions for school districts, shall  
35 be distributed by the department of education to school districts in  
36 accordance with this section. Notwithstanding the provisions of K.S.A. 74-  
37 4939, and amendments thereto, ~~for school year 2015-2016,~~ the department  
38 of education shall disburse to each school district that is an eligible  
39 employer as specified in K.S.A. 74-4931(1), and amendments thereto, an  
40 amount ~~in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~  
41 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~  
42 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~  
43 ~~of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,~~

1 ~~the department of education shall disburse to each school district that is an~~  
2 ~~eligible employer as specified in K.S.A. 74-4931(1), and amendments~~  
3 ~~thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),~~  
4 ~~and amendments thereto, which shall be disbursed pursuant to K.S.A.~~  
5 ~~2016 Supp. 72-6465, and amendments thereto certified by the board of~~  
6 ~~trustees of the Kansas public employees retirement system that is equal to~~  
7 ~~the participating employer's obligation of such school district to the~~  
8 ~~system in accordance with policies and procedures that are hereby~~  
9 ~~authorized and directed to be adopted by the state board of education for~~  
10 ~~the purposes of this section and in accordance with any requirements~~  
11 ~~prescribed by the board of trustees of the Kansas public employees~~  
12 ~~retirement system. Upon receipt of each such disbursement of moneys, the~~  
13 ~~school district shall deposit the entire amount thereof into a special~~  
14 ~~retirement contributions fund of the school district, which shall be~~  
15 ~~established by the school district in accordance with such policies and~~  
16 ~~procedures and which shall be used for the sole purpose of receiving such~~  
17 ~~disbursements from the department of education and making the~~  
18 ~~remittances to the system in accordance with this section and such policies~~  
19 ~~and procedures. Upon receipt of each such disbursement of moneys from~~  
20 ~~the department of education, the school district shall remit, in accordance~~  
21 ~~with the provisions of such policies and procedures and in the manner and~~  
22 ~~on the date or dates prescribed by the board of trustees of the Kansas~~  
23 ~~public employees retirement system, an equal amount to the Kansas public~~  
24 ~~employees retirement system from the special retirement contributions~~  
25 ~~fund of the school district to satisfy such school district's obligation as a~~  
26 ~~participating employer. Notwithstanding the provisions of K.S.A. 74-4939,~~  
27 ~~and amendments thereto, each school district that is an eligible employer~~  
28 ~~as specified in K.S.A. 74-4931(1), and amendments thereto, shall show~~  
29 ~~within the budget of such school district all amounts received from~~  
30 ~~disbursements into the special retirement contributions fund of such school~~  
31 ~~district. Notwithstanding the provisions of any other statute, no official~~  
32 ~~action of the school board of such school district shall be required to~~  
33 ~~approve a remittance to the system in accordance with this section and~~  
34 ~~such policies and procedures. All remittances of moneys to the system by a~~  
35 ~~school district in accordance with this subsection and such policies and~~  
36 ~~procedures shall be deemed to be expenditures of the school district.~~

37 Sec. 96. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as  
38 follows: 74-8925. (a) For the purposes of this act, the term "taxing  
39 subdivision" shall include the county, the city, the unified school district  
40 and any other taxing subdivision levying real property taxes, the territory  
41 or jurisdiction of which includes any currently existing or subsequently  
42 created redevelopment district. The term "real property taxes" includes all  
43 taxes levied on an ad valorem basis upon land and improvements thereon,

1 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~  
2 ~~2016 Supp. 72-6470~~ *section 14*, and amendments thereto, or any other  
3 property tax levied by or on behalf of a school district.

4 (b) All tangible taxable property located within a redevelopment  
5 district shall be assessed and taxed for ad valorem tax purposes pursuant to  
6 law in the same manner that such property would be assessed and taxed if  
7 located outside such district, and all ad valorem taxes levied on such  
8 property shall be paid to and collected by the county treasurer in the same  
9 manner as other taxes are paid and collected. Except as otherwise provided  
10 in this section, the county treasurer shall distribute such taxes as may be  
11 collected in the same manner as if such property were located outside a  
12 redevelopment district. Each redevelopment district established under the  
13 provisions of this act shall constitute a separate taxing unit for the purpose  
14 of the computation and levy of taxes.

15 (c) Beginning with the first payment of taxes which are levied  
16 following the date of approval of any redevelopment district established  
17 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes  
18 received by the county treasurer resulting from taxes which are levied  
19 subject to the provisions of this act by and for the benefit of a taxing  
20 subdivision, as herein defined, on property located within such  
21 redevelopment district constituting a separate taxing unit under the  
22 provisions of this section, shall be divided as follows:

23 (1) From the taxes levied each year subject to the provisions of this  
24 act by or for each of the taxing subdivisions upon property located within a  
25 redevelopment district constituting a separate taxing unit under the  
26 provisions of this act, the county treasurer first shall allocate and pay to  
27 each such taxing subdivision all of the real property taxes collected which  
28 are produced from that portion of the current assessed valuation of such  
29 real property located within such separate taxing unit which is equal to the  
30 total assessed value of such real property on the date of the establishment  
31 of the redevelopment district.

32 (2) Any real property taxes produced from that portion of the current  
33 assessed valuation of real property within the redevelopment district  
34 constituting a separate taxing unit under the provisions of this section in  
35 excess of an amount equal to the total assessed value of such real property  
36 on the effective date of the establishment of the district shall be allocated  
37 and paid by the county treasurer according to specified percentages of the  
38 tax increment expressly agreed upon and consented to by the governing  
39 bodies of the county and school district in which the redevelopment  
40 district is located. The amount of the real property taxes allocated and  
41 payable to the authority under the agreement shall be paid by the county  
42 treasurer to the treasurer of the state. The remaining amount of the real  
43 property taxes not payable to the authority shall be allocated and paid in

1 the same manner as other ad valorem taxes. Any real property taxes paid to  
2 the state treasurer under this section shall be deposited in the  
3 redevelopment bond finance fund of the authority which is created  
4 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of  
5 any approved redevelopment project, including the payment of principal of  
6 and interest on any bonds issued by the authority to finance, in whole or in  
7 part, such project. When such bonds and interest thereon have been paid,  
8 all moneys thereafter received from real property taxes within such  
9 redevelopment district shall be allocated and paid to the respective taxing  
10 subdivisions in the same manner as are other ad valorem taxes. If such  
11 bonds and interest thereon have been paid before the completion of a  
12 project, the authority may continue to use such moneys for any purpose  
13 authorized by the redevelopment agreement until such time as the project  
14 costs are paid or reimbursed, but for a period not to exceed the final  
15 scheduled maturity of the bonds.

16 (d) In any redevelopment plan or in the proceedings for the issuing of  
17 any bonds by the authority to finance a project, the property tax increment  
18 portion of taxes provided for in subsection (c)(2) may be irrevocably  
19 pledged for the payment of the principal of and interest on such bonds. The  
20 authority may adopt a redevelopment plan in which only a specified  
21 percentage of the tax increment realized from taxpayers in the  
22 redevelopment district is pledged to the payment of costs.

23 Sec. 97. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as  
24 follows: 74-99b43. (a) The Kansas development finance authority is  
25 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-  
26 8901 et seq., and amendments thereto, in one or more series to finance the  
27 undertaking of any bioscience development project in accordance with the  
28 provisions of this act. No special obligation bonds may be issued pursuant  
29 to this section unless the Kansas development finance authority has  
30 received a resolution of the board of the authority requesting the issuance  
31 of such bonds. Such special obligation bonds shall be made payable, both  
32 as to principal and interest from one or more of the following, as directed  
33 by the authority:

34 (1) From ad valorem tax increments allocated to, and paid into the  
35 bioscience development bond fund for the payment of the project costs of  
36 a bioscience development project under the provisions of this section;

37 (2) from any private sources, contributions or other financial  
38 assistance from the state or federal government;

39 (3) from a pledge of a portion or all of the revenue received from  
40 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et  
41 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments  
42 thereto, and which are collected from taxpayers doing business within that  
43 portion of the bioscience development district and paid into the bioscience

1 development bond fund;

2 (4) from a pledge of a portion or all increased revenue received by  
3 any city from franchise fees collected from utilities and other businesses  
4 using public right-of-way within the bioscience development district; or

5 (5) by any combination of these methods.

6 (b) All tangible taxable property located within a bioscience  
7 development district shall be assessed and taxed for ad valorem tax  
8 purposes pursuant to law in the same manner that such property would be  
9 assessed and taxed if located outside such district, and all ad valorem taxes  
10 levied on such property shall be paid to and collected by the county  
11 treasurer in the same manner as other taxes are paid and collected. Except  
12 as otherwise provided in this section, the county treasurer shall distribute  
13 such taxes as may be collected in the same manner as if such property  
14 were located outside a bioscience development district. Each bioscience  
15 development district established under the provisions of this act shall  
16 constitute a separate taxing unit for the purpose of the computation and  
17 levy of taxes.

18 (c) Beginning with the first payment of taxes which are levied  
19 following the date of the establishment of the bioscience development  
20 district real property taxes received by the county treasurer resulting from  
21 taxes which are levied subject to the provisions of this act by and for the  
22 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,  
23 and amendments thereto, on property located within such bioscience  
24 development district constituting a separate taxing unit under the  
25 provisions of this section, shall be divided as follows:

26 (1) From the taxes levied each year subject to the provisions of this  
27 act by or for each of the taxing subdivisions upon property located within a  
28 bioscience development district constituting a separate taxing unit under  
29 the provisions of this act, the county treasurer first shall allocate and pay to  
30 each such taxing subdivision all of the real property taxes collected which  
31 are produced from the base year assessed valuation.

32 (2) Any real property taxes, except for property taxes levied for  
33 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470 section 14~~, and  
34 amendments thereto, produced from that portion of the current assessed  
35 valuation of real property within the bioscience development district  
36 constituting a separate taxing unit under the provisions of this section in  
37 excess of the base year assessed valuation shall be allocated and paid by  
38 the county treasurer to the bioscience development bond fund to pay the  
39 bioscience development project costs including the payment of principal  
40 and interest on any special obligation bonds to finance, in whole or in part,  
41 such bioscience development projects.

42 (d) The authority may pledge the bioscience development bond fund  
43 or other available revenue to the repayment of such special obligation

1 bonds prior to, simultaneously with, or subsequent to the issuance of such  
2 special obligation bonds.

3 (e) Any bonds issued under the provisions of this act and the interest  
4 paid thereon, unless specifically declared to be taxable in the authorizing  
5 resolution of the Kansas development finance authority, shall be exempt  
6 from all state, county and municipal taxes, and the exemption shall include  
7 income, estate and property taxes.

8 Sec. 98. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as  
9 follows: 75-2319. (a) There is hereby established in the state treasury the  
10 school district capital improvements fund. The fund shall consist of all  
11 amounts transferred thereto under the provisions of subsection (c).

12 (b) In each school year, each school district which is obligated to  
13 make payments from its capital improvements fund shall be entitled to  
14 receive payment from the school district capital improvements fund in an  
15 amount determined by the state board of education as provided in this  
16 subsection.

17 (1) For general obligation bonds approved for issuance at an election  
18 held prior to July 1, 2015, the state board of education shall:

19 (A) Determine the amount of the assessed valuation per pupil (AVPP)  
20 of each school district in the state *for the preceding school year* and round  
21 such amount to the nearest \$1,000. The rounded amount is the AVPP of a  
22 school district for the purposes of this subsection (b)(1);

23 (B) determine the median AVPP of all school districts;

24 (C) prepare a schedule of dollar amounts using the amount of the  
25 median AVPP of all school districts as the point of beginning. The  
26 schedule of dollar amounts shall range upward in equal \$1,000 intervals  
27 from the point of beginning to and including an amount that is equal to the  
28 amount of the AVPP of the school district with the highest AVPP of all  
29 school districts and shall range downward in equal \$1,000 intervals from  
30 the point of beginning to and including an amount that is equal to the  
31 amount of the AVPP of the school district with the lowest AVPP of all  
32 school districts;

33 (D) determine a state aid percentage factor for each school district by  
34 assigning a state aid computation percentage to the amount of the median  
35 AVPP shown on the schedule, decreasing the state aid computation  
36 percentage assigned to the amount of the median AVPP by one percentage  
37 point for each \$1,000 interval above the amount of the median AVPP, and  
38 increasing the state aid computation percentage assigned to the amount of  
39 the median AVPP by one percentage point for each \$1,000 interval below  
40 the amount of the median AVPP. Except as provided by K.S.A. 2016 Supp.  
41 75-2319c, and amendments thereto, the state aid percentage factor of a  
42 school district is the percentage assigned to the schedule amount that is  
43 equal to the amount of the AVPP of the school district. The state aid

1 percentage factor of a school district shall not exceed 100%. The state aid  
2 computation percentage is 25%;

3 (E) determine the amount of payments that a school district is  
4 obligated to make from its bond and interest fund attributable to general  
5 obligation bonds approved for issuance at an election held prior to July 1,  
6 2015; and

7 (F) multiply the amount determined under subsection (b)(1)(E) by the  
8 applicable state aid percentage factor.

9 (2) For general obligation bonds approved for issuance at an election  
10 held on or after July 1, 2015, the state board of education shall:

11 (A) Determine the amount of the AVPP of each school district in the  
12 state *for the preceding school year* and round such amount to the nearest  
13 \$1,000. The rounded amount is the AVPP of a school district for the  
14 purposes of this subsection (b)(2);

15 (B) prepare a schedule of dollar amounts using the amount of the  
16 AVPP of the school district with the lowest AVPP of all school districts as  
17 the point of beginning. The schedule of dollar amounts shall range upward  
18 in equal \$1,000 intervals from the point of beginning to and including an  
19 amount that is equal to the amount of the AVPP of the school district with  
20 the highest AVPP of all school districts;

21 (C) determine a state aid percentage factor for each school district by  
22 assigning a state aid computation percentage to the amount of the lowest  
23 AVPP shown on the schedule and decreasing the state aid computation  
24 percentage assigned to the amount of the lowest AVPP by one percentage  
25 point for each \$1,000 interval above the amount of the lowest AVPP.  
26 Except as provided by K.S.A. 2016 Supp. 75-2319c, and amendments  
27 thereto, the state aid percentage factor of a school district is the percentage  
28 assigned to the schedule amount that is equal to the amount of the AVPP of  
29 the school district. The state aid computation percentage is 75%;

30 (D) determine the amount of payments that a school district is  
31 obligated to make from its bond and interest fund attributable to general  
32 obligation bonds approved for issuance at an election held on or after July  
33 1, 2015; and

34 (E) multiply the amount determined under subsection (b)(2)(D) by  
35 the applicable state aid percentage factor.

36 (3) For general obligation bonds approved for issuance at an election  
37 held on or before June 30, 2016, the sum of the amount determined under  
38 subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)  
39 is the amount of payment the school district is entitled to receive from the  
40 school district capital improvements fund in the school year.

41 (4) For general obligation bonds approved for issuance at an election  
42 held on or after July 1, 2016, the amount determined under subsection (b)  
43 (2)(E) is the amount of payment the school district shall receive from the



1 school district capital improvements fund in the school year, except the  
2 total amount of payments school districts receive from the school district  
3 capital improvements fund in the school year for such bonds shall not  
4 exceed the six-year average amount of capital improvement state aid as  
5 determined by the state board of education.

6 (A) The state board of education shall determine the six-year average  
7 amount of capital improvement state aid by calculating the average of the  
8 total amount of moneys expended per year from the school district capital  
9 improvements fund in the immediately preceding six fiscal years, not to  
10 include the current fiscal year.

11 (B) (i) Subject to clause (ii), the state board of education shall  
12 prioritize the allocations to school districts from the school district capital  
13 improvements fund in accordance with the priorities set forth as follows  
14 in order of highest priority to lowest priority:

15 (a) Safety of the current facility and disability access to such facility  
16 as demonstrated by a state fire marshal report, an inspection under the  
17 Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar  
18 evaluation;

19 (b) enrollment growth and imminent overcrowding as demonstrated  
20 by successive increases in enrollment of the school district in the  
21 immediately preceding three school years;

22 (c) impact on the delivery of educational services as demonstrated by  
23 restrictive inflexible design or limitations on installation of technology;  
24 and

25 (d) energy usage and other operational inefficiencies as demonstrated  
26 by a district-wide energy usage analysis, district-wide architectural  
27 analysis or other similar evaluation.

28 (ii) In allocating capital improvement state aid, the state board shall  
29 give higher priority to those school districts with a lower AVPP compared  
30 to the other school districts that are to receive capital improvement state  
31 aid under this section.

32 (C) On and after July 1, 2016, the state board of education shall  
33 approve the amount of state aid payments a school district shall receive  
34 from the school district capital improvements fund pursuant to subsection  
35 (b)(5) prior to an election to approve the issuance of general obligation  
36 bonds.

37 (5) *Except as provided in subsection (b)(6),* the sum of the amounts  
38 determined under subsection (b)(3) and the amount determined or  
39 allocated to the district by the state board of education pursuant to  
40 subsection (b)(4), is the amount of payment the school district is entitled to  
41 receive from the school district capital improvements fund in the school  
42 year.

43 (6) *A school district that had an enrollment of less than 260 students*

1 *in the school year immediately preceding the school year in which an*  
2 *election is held to approve the issuance of general obligation bonds shall*  
3 *not be entitled to receive payments from the school district capital*  
4 *improvements fund unless such school district applied for and receive*  
5 *approval from the state board of education to issue such bonds prior to*  
6 *holding an election to approve such bond issuance. The provisions of this*  
7 *paragraph shall apply to general obligation bonds approved for issuance*  
8 *at an election held on or after July 1, 2017, that are issued for the purpose*  
9 *of financing the construction of new school facilities.*

10 (c) The state board of education shall certify to the director of  
11 accounts and reports the entitlements of school districts determined under  
12 the provisions of subsection (b), and an amount equal thereto shall be  
13 transferred by the director from the state general fund to the school district  
14 capital improvements fund for distribution to school districts. All transfers  
15 made in accordance with the provisions of this subsection shall be  
16 considered to be demand transfers from the state general fund, except that  
17 all such transfers during the fiscal years ending ~~June 30, 2013~~, June 30,  
18 ~~2014~~ 2017, June 30, ~~2015~~ 2018, and June 30, ~~2016~~ 2019, shall be  
19 considered to be revenue transfers from the state general fund.

20 (d) Payments from the school district capital improvements fund shall  
21 be distributed to school districts at times determined by the state board of  
22 education to be necessary to assist school districts in making scheduled  
23 payments pursuant to contractual bond obligations. The state board of  
24 education shall certify to the director of accounts and reports the amount  
25 due each school district entitled to payment from the fund, and the director  
26 of accounts and reports shall draw a warrant on the state treasurer payable  
27 to the treasurer of the school district. Upon receipt of the warrant, the  
28 treasurer of the school district shall credit the amount thereof to the bond  
29 and interest fund of the school district to be used for the purposes of such  
30 fund.

31 (e) The provisions of this section apply only to contractual  
32 obligations incurred by school districts pursuant to general obligation  
33 bonds issued upon approval of a majority of the qualified electors of the  
34 school district voting at an election upon the question of the issuance of  
35 such bonds.

36 (f) On or before the first day of the legislative session in 2017, and  
37 each year thereafter, the state board of education shall prepare and submit  
38 a report to the legislature that includes information on school district  
39 elections held on or after July 1, 2016, to approve the issuance of general  
40 obligation bonds and the amount of payments school districts were  
41 approved to receive from the school district capital improvements fund  
42 pursuant to subsection (b)(4)(C).

43 Sec. 99. K.S.A. 2016 Supp. 79-201x is hereby amended to read as

1 follows: 79-201x. For taxable years ~~2015 and 2016~~ *2017 and 2018*, the  
2 following described property, to the extent herein specified, shall be and is  
3 hereby exempt from the property tax levied pursuant to the provisions of  
4 ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto: Property  
5 used for residential purposes to the extent of \$20,000 of its appraised  
6 valuation.

7 Sec. 100. K.S.A. 2016 Supp. 79-213 is hereby amended to read as  
8 follows: 79-213. (a) Any property owner requesting an exemption from the  
9 payment of ad valorem property taxes assessed, or to be assessed, against  
10 their property shall be required to file an initial request for exemption, on  
11 forms approved by the state board of tax appeals and provided by the  
12 county appraiser.

13 (b) The initial exemption request shall identify the property for which  
14 the exemption is requested and state, in detail, the legal and factual basis  
15 for the exemption claimed.

16 (c) The request for exemption shall be filed with the county appraiser  
17 of the county where such property is principally located.

18 (d) After a review of the exemption request, and after a preliminary  
19 examination of the facts as alleged, the county appraiser shall recommend  
20 that the exemption request either be granted or denied, and, if necessary,  
21 that a hearing be held. If a denial is recommended, a statement of the  
22 controlling facts and law relied upon shall be included on the form.

23 (e) The county appraiser, after making such written recommendation,  
24 shall file the request for exemption and the recommendations of the county  
25 appraiser with the state board of tax appeals. With regard to a request for  
26 exemption from property tax pursuant to the provisions of K.S.A. 79-201g  
27 and 82a-409, and amendments thereto, not filed with the board of tax  
28 appeals by the county appraiser on or before the effective date of this act,  
29 if the county appraiser recommends the exemption request be granted, the  
30 exemption shall be provided in the amount recommended by the county  
31 appraiser and the county appraiser shall not file the request for exemption  
32 and recommendations of the county appraiser with the state board of tax  
33 appeals. The county clerk or county assessor shall annually make such  
34 adjustment in the taxes levied against the real property as the owner may  
35 be entitled to receive under the provisions of K.S.A. 79-201g, and  
36 amendments thereto, as recommended by the county appraiser, beginning  
37 with the first period, following the date of issue of the certificate of  
38 completion on which taxes are regularly levied, and during the years  
39 which the landowner is entitled to such adjustment.

40 (f) Upon receipt of the request for exemption, the board shall docket  
41 the same and notify the applicant and the county appraiser of such fact.

42 (g) After examination of the request for exemption and the county  
43 appraiser's recommendation related thereto, the board may fix a time and

1 place for hearing, and shall notify the applicant and the county appraiser of  
2 the time and place so fixed. A request for exemption pursuant to: (1)  
3 Section 13 of article 11 of the constitution of the state of Kansas; or (2)  
4 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed  
5 or purchased, in whole or in part, with the proceeds of revenue bonds  
6 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and  
7 amendments thereto, prepared in accordance with instructions and  
8 assistance which shall be provided by the department of commerce, shall  
9 be deemed approved unless scheduled for hearing within 30 days after the  
10 date of receipt of all required information and data relating to the request  
11 for exemption, and such hearing shall be conducted within 90 days after  
12 such date. Such time periods shall be determined without regard to any  
13 extension or continuance allowed to either party to such request. In any  
14 case where a party to such request for exemption requests a hearing  
15 thereon, the same shall be granted. Hearings shall be conducted in  
16 accordance with the provisions of the Kansas administrative procedure act.  
17 In all instances where the board sets a request for exemption for hearing,  
18 the county shall be represented by its county attorney or county counselor.

19 (h) Except as otherwise provided by subsection (g), in the event of a  
20 hearing, the same shall be originally set not later than 90 days after the  
21 filing of the request for exemption with the board.

22 (i) During the pendency of a request for exemption, no person, firm,  
23 unincorporated association, company or corporation charged with real  
24 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-  
25 2004a, and amendments thereto, on the tax books in the hands of the  
26 county treasurer shall be required to pay the tax from the date the request  
27 is filed with the county appraiser until the expiration of 30 days after the  
28 board issued its order thereon and the same becomes a final order. In the  
29 event that taxes have been assessed against the subject property, no interest  
30 shall accrue on any unpaid tax for the year or years in question nor shall  
31 the unpaid tax be considered delinquent from the date the request is filed  
32 with the county appraiser until the expiration of 30 days after the board  
33 issued its order thereon. In the event the board determines an application  
34 for exemption is without merit and filed in bad faith to delay the due date  
35 of the tax, the tax shall be considered delinquent as of the date the tax  
36 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and  
37 amendments thereto, and interest shall accrue as prescribed therein.

38 (j) In the event the board grants the initial request for exemption, the  
39 same shall be effective beginning with the date of first exempt use except  
40 that, with respect to property the construction of which commenced not to  
41 exceed 24 months prior to the date of first exempt use, the same shall be  
42 effective beginning with the date of commencement of construction.

43 (k) In conjunction with its authority to grant exemptions, the board

1 shall have the authority to abate all unpaid taxes that have accrued from  
2 and since the effective date of the exemption. In the event that taxes have  
3 been paid during the period where the subject property has been  
4 determined to be exempt, the board shall have the authority to order a  
5 refund of taxes for the year immediately preceding the year in which the  
6 exemption application is filed in accordance with subsection (a).

7 (l) The provisions of this section shall not apply to: (1) Farm  
8 machinery and equipment exempted from ad valorem taxation by K.S.A.  
9 79-201j, and amendments thereto; (2) personal property exempted from ad  
10 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing  
11 apparel, household goods and personal effects exempted from ad valorem  
12 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all  
13 property exempted from ad valorem taxation by K.S.A. 79-201d, and  
14 amendments thereto; (6) merchants' and manufacturers' inventories  
15 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments  
16 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,  
17 and amendments thereto; (8) property exempted from ad valorem taxation  
18 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all  
19 property previously acquired by the secretary of transportation or a  
20 predecessor in interest, which is used in the administration, construction,  
21 maintenance or operation of the state system of highways. The secretary of  
22 transportation shall at the time of acquisition of property notify the county  
23 appraiser in the county in which the property is located that the acquisition  
24 occurred and provide a legal description of the property acquired; (9)  
25 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,  
26 and amendments thereto, including all property previously acquired by the  
27 Kansas turnpike authority which is used in the administration,  
28 construction, maintenance or operation of the Kansas turnpike. The Kansas  
29 turnpike authority shall at the time of acquisition of property notify the  
30 county appraiser in the county in which the property is located that the  
31 acquisition occurred and provide a legal description of the property  
32 acquired; (10) aquaculture machinery and equipment exempted from ad  
33 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in  
34 this section, "aquaculture" has the same meaning ascribed thereto by  
35 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery  
36 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and  
37 amendments thereto; (12) property used exclusively by the state or any  
38 municipality or political subdivision of the state for right-of-way purposes.  
39 The state agency or the governing body of the municipality or political  
40 subdivision shall at the time of acquisition of property for right-of-way  
41 purposes notify the county appraiser in the county in which the property is  
42 located that the acquisition occurred and provide a legal description of the  
43 property acquired; (13) machinery, equipment, materials and supplies

1 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments  
2 thereto; (14) vehicles owned by the state or by any political or taxing  
3 subdivision thereof and used exclusively for governmental purposes; (15)  
4 property used for residential purposes which is exempted pursuant to  
5 K.S.A. 79-201x, and amendments thereto, from the property tax levied  
6 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments  
7 thereto; (16) from and after July 1, 1998, vehicles which are owned by an  
8 organization having as one of its purposes the assistance by the provision  
9 of transit services to the elderly and to disabled persons and which are  
10 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)  
11 from and after July 1, 1998, motor vehicles exempted from taxation by  
12 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and  
13 industrial machinery and equipment exempted from property or ad  
14 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;  
15 (19) telecommunications machinery and equipment and railroad  
16 machinery and equipment exempted from property or ad valorem taxation  
17 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property  
18 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-  
19 234, and amendments thereto.

20 (m) The provisions of this section shall apply to property exempt  
21 pursuant to the provisions of section 13 of article 11 of the constitution of  
22 the state of Kansas.

23 (n) The provisions of subsection (k) as amended by this act shall be  
24 applicable to all exemption applications filed in accordance with  
25 subsection (a) after December 31, 2001.

26 Sec. 101. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as  
27 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll  
28 of the county, the treasurer shall enter in a column opposite the description  
29 of each tract or parcel of land the amount of unpaid taxes and the date of  
30 unredeemed sales, if any, for previous years on such land. The treasurer  
31 shall cause a notice to be published in the official county paper once each  
32 week for three consecutive weeks, stating in the notice the amount of taxes  
33 charged for state, county, township, school, city or other purposes for that  
34 year, on each \$1,000 of valuation.

35 (b) Each year after receipt of the tax roll from the county clerk and  
36 before December 15, the treasurer shall mail to each taxpayer, as shown by  
37 the rolls, a tax statement which indicates the taxing unit, assessed value of  
38 real and personal property, the mill levy and tax due. In addition, with  
39 respect to land devoted to agricultural use, such statement shall indicate  
40 the acreage and description of each parcel of such land. The tax statement  
41 shall also indicate separately each parcel of real property which is  
42 separately classified for property tax purposes. The county appraiser shall  
43 provide the information necessary for the county treasurer to comply with

1 the provisions of this section. The tax statement also may include the  
2 intangible tax due the county. All items may be on one statement or may  
3 be shown on separate statements and may be on a form prescribed by the  
4 county treasurer. The statement shall be mailed to the last known address  
5 of the taxpayer or to a designee authorized by the taxpayer to accept the  
6 tax statement, if the designee has an interest in receiving the statement.  
7 When any statement is returned to the county treasurer for failure to find  
8 the addressee, the treasurer shall make a diligent effort to find a  
9 forwarding address of the taxpayer and mail the statement to the new  
10 address. All tax statements mailed pursuant to this section shall be mailed  
11 by first-class mail. The requirement for mailing a tax statement shall  
12 extend only to the initial statement required to be mailed in each year and  
13 to any follow-up required by this section.

14 (c) For tax year 1998, and all tax years thereafter, after receipt of the  
15 tax roll from the county clerk and before December 15, the treasurer shall  
16 mail to each taxpayer, as shown by the tax rolls, a tax information form  
17 which indicates the taxing unit, assessed value of real property for the  
18 current and next preceding taxable year, the mill levy for the current and  
19 next preceding taxable year and, in the case of unified school districts, the  
20 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ section 14, and  
21 amendments thereto, shall be separately indicated, the tax due and an  
22 itemization of each taxing unit's mill levy for the current and next  
23 preceding taxable year and the percentage change in the amount of  
24 revenue produced therefrom, if any. In addition, with respect to land  
25 devoted to agricultural use, such form shall indicate the acreage and  
26 description of each parcel of such land. The tax information form shall  
27 also indicate separately each parcel of real property which is separately  
28 classified for property tax purposes. The county appraiser shall provide the  
29 information necessary for the county treasurer to comply with the  
30 provisions of this section. The tax information form may be separate from  
31 the tax statement or a part of the tax statement. The tax information form  
32 shall be in a format prescribed by the director of property valuation. The  
33 tax information form shall be mailed to the last known address of the  
34 taxpayer. When a tax information form is returned to the county treasurer  
35 for failure to find the addressee, the treasurer shall make a diligent effort to  
36 find a forwarding address of the taxpayer and mail the tax information  
37 form to the new address. All tax information forms mailed pursuant to this  
38 section shall be mailed by first class mail.

39 Sec. 102. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as  
40 follows: 79-2925b. (a) Without a majority vote so providing, the governing  
41 body of any municipality shall not approve any appropriation or budget, as  
42 the case requires, which may be funded by revenue produced from  
43 property taxes, and which provides for funding with such revenue in an

1 amount exceeding that of the next preceding year, adjusted to reflect  
2 changes in the consumer price index for all urban consumers as published  
3 by the United States department of labor for the preceding calendar year. If  
4 the total tangible property valuation in any municipality increases from the  
5 next preceding year due to increases in the assessed valuation of existing  
6 tangible property and such increase exceeds changes in the consumer price  
7 index, the governing body shall lower the amount of ad valorem tax to be  
8 levied to the amount of ad valorem tax levied in the next preceding year,  
9 adjusted to reflect changes in the consumer price index. This subsection  
10 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-  
11 6b04 and ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto,  
12 and any other ad valorem tax levy which was previously approved by the  
13 voters of such municipality. Notwithstanding the requirements of this  
14 subsection, nothing herein shall prohibit a municipality from increasing  
15 the amount of ad valorem tax to be levied if the municipality approves the  
16 proposed increase with a majority vote of the governing body by the  
17 adoption of a resolution and publishes its vote to approve the appropriation  
18 or budget including the increase as provided in subsection (c).

19 (b) Revenue that, in the current year, is produced and attributable to  
20 the taxation of:

- 21 (1) New improvements to real property;
- 22 (2) increased personal property valuation;
- 23 (3) property located within added jurisdictional territory; or
- 24 (4) property which has changed in use shall not be considered when  
25 determining whether revenue produced from property has increased from  
26 the next preceding year.

27 (c) In the event the governing body votes to approve any  
28 appropriation or budget, as the case requires, which may be funded by  
29 revenue produced from property taxes, and which provides for funding  
30 with such revenue in an amount exceeding that of the next preceding year  
31 as provided in subsection (a), notice of such vote shall be published in the  
32 official county newspaper of the county where such municipality is  
33 located.

34 (d) The provisions of this section shall be applicable to all fiscal and  
35 budget years commencing on and after the effective date of this act.

36 (e) The provisions of this section shall not apply to revenue received  
37 from property tax levied for the sole purpose of repayment of the principal  
38 of and interest upon bonded indebtedness, temporary notes and no-fund  
39 warrants.

40 (f) For purposes of this section:

- 41 (1) "Municipality" means any political subdivision of the state which  
42 levies an ad valorem tax on property and includes, but is not limited to,  
43 any township, municipal university, school district, community college,



1 drainage district or other taxing district;

2 (2) "municipality" shall not include:

3 (A) Any such political subdivision or taxing district which receives  
4 \$1,000 or less in revenue from property taxes in the current year; or

5 (B) any city or county.

6 Sec. 103. In sections 1 and 2, if any fund or account name described  
7 by words and the numerical accounting code that follows such fund or  
8 account name do not match, it shall be conclusively presumed that the  
9 legislature intended that the fund or account name described by words is  
10 the correct fund or account name, and such fund or account name  
11 described by words shall control over a contradictory or incorrect  
12 numerical accounting code.

13 Sec. 104. K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-  
14 1775a, 12-1776a, 46-1133, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923,  
15 72-3712, 72-3715, 72-5333b, 72-6482, 72-64b01, 72-64c03, 72-64c05, 72-  
16 6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190,  
17 72-8230, 72-8233, 72-8236, 72-8249, 72-8250, 72-8251, 72-8302, 72-  
18 8309, 72-8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-9609,  
19 72-99a02, 74-4939a, 74-8925, 74-99b43, 75-2319, 75-2319, as amended  
20 by section 46 of Senate Substitute for Substitute for House Bill No. 2052,  
21 79-201x, 79-213, 79-2001 and 79-2925b are hereby repealed.

22 Sec. 105. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as  
23 amended by section 92 of this act, and 72-99a04 are hereby repealed.

24 Sec. 106. This act shall take effect and be in force from and after its  
25 publication in the statute book.

26